FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 223 *17 November 1978*

ARGENTINA

Joint Naval Exercise To Be Held With Uruguay B 1
Castro Madero Urges L. American Nuclear Integration B 1
[CLARIN 16 Nov]
CNEA Official Outlines Uranium Dioxide Project B 1
Italy To Propose Nuclear Cooperation Project B 2
National Nuclear Industry Given 8-Year Lead Over Brazil B 2
[Rio de Janeiro O GLOBO 12 Nov]
Yacyreta Director Reports Financing Progress B 4
Briefs: Electric Company Takeover; Relations With Papua-New Guinea B 4

BOLIVIA

Siles Zuazo, FSB Condemn Election Decree C 1
FUDP Plans Rally To Protest Election Date C 1
MIR Leadership Presents Economic Proposals C 2

BRAZIL

Brazilian Democratic Movement Leads in Election D 1
Government Predicts 'Draw' D 2
Future Vice President Confirms MDB May Join Government D 2
Diplomatic Information Exchanged With U.S. D 2
[JORNAL DO BRASIL 9 Nov]
Briefs: Police on Strike D 2

CHILE

Pinochet, Cubillos Hold Talks With Peruvian Foreign Minister E 1
Pinochet Receives De la Puente E 1
Beagle Channel Discussed E 1
Ambassador Comments on Peruvian Minister's Visit E 2
Cubillos Says Argentine Response to Beagle Note Under Study E 3

COLOMBIA

Foreign Minister Denies Possibility of Military Coup F 1
Council of Ministers Denies Torture Charges F 1
Military Communique Makes Denial F 2
Government Official Claims M-19 Never Existed F 2

ECUADOR

Ministers Note Reduced Income From Oil Exports G 1
Politicians' Reactions G 2
Supreme Electoral Tribunal Approves Report G 2
Briefs: Oil Exports G 2

PARAGUAY

Ties With Argentina Topic of 'High-Level' Meeting H 1
[HOY 8 Nov]
Editorial Questions Argentine Parana River Tactics H 1
[HOY 11 Nov]

PERU

Somoza Envoy Arrives on Good Will Trip J 1
Moscow Mayor Begins 5-Day Visit, Confers With Mayor of Lima J 1
Meeting With President J 1
Committees Near End of Work on Constitution J 2
Mine Product Marketing To Remain in Government Hands J 2
Government Amends Mining Profit-Sharing Law J 3
Mines Minister Gives Oil Export Figures J 3
Navy Justifies Aircraft Purchase From Italy J 4
Briefs: Economy Minister in Japan; Oil Sale to Japan J 4

VENEZUELA

Defense Ministry Denies Attack on Military Post L 1
President Perez Acclaims Industrial Program L 1
Energy Minister Denies World Energy Crisis L 3
Kuwaiti Oil Minister To Discuss Price Rise L 3
Pinerua Defines Stand on Increased Oil Price L 4
[EL NACIONAL 1 Nov]

MEXICO

Potential of New Oil Deposit Analyzed M 1
Leader of FAL Guerrilla Group Captured M 1

CENTRAL AMERICA

COSTA RICA

Troublemaking Foreigners Warned of Expulsion P 1
[LA NACION 10 Nov]
Paper Seeks End of Israeli Arms Sales to Nicaragua P 1
Planning Minister Leaves for Quito 15 November P 2

EL SALVADOR

Three Killed as Guerrillas Clash With National Guard P 2

GUATEMALA

Minister Says Country Is Target of Communist Onslaught P 2
Organizations Express Support for Salvadorans P 3

HONDURAS

Military Captures 90 Sandinist Guerrillas P 3
Christian Democratic Party Is Given Legal Standing P 4

NICARAGUA

Costa Rican Civil Guard Incursion Reported P 4
Guerrillas Rob Bank in Managua, Elude Capture P 5
Further Robberies P 5
Prisoners of Guerrillas Reportedly Not National Guardsmen P 5
10 Members of Military Formally Accused of Coup Plot P 6
Businessmen Set Up New Anti-Somoza Group, Consider Strike P 6
Tunnermann Says Somoza Received Israeli Warplanes P 6

CUBA

Foreign Ministry Denies Presence of Troops in Tanzania Q 1
Joshua Nkomo Heads Delegation to Havana Q 1
Jamaican Ruling Party Official Arrives in Capital Q 1
Joint Communique Issued With Sao Tome and Principe Q 2
Havana Living, Transportation Conditions Discussed Q 2
Roberto Veiga Reports on Productivity, Wages Q 3
14 Political Prisoners Pardoned by Government Q 3
Havana Cites Reports of Plans To Depose Somoza Q 4
UNESCO Delegate Condemns News Monopolies Q 4
Doctor Discusses Medical Teams in Angola Q 4
Population Census Committee Established Q 5
Cooperation Agreement Signed With Austria Q 5
Hart Davalos Meets With USSR Delegation Q 5
Minister Pleased With Agreement With Guyana Q 5

CARIBBEAN

ANTIGUA

Prime Minister Comments on Arms Allegation [Montreal] S 1

JAMAICA

Seaga Complains of Losses by Government Corporations S 1
[SUNDAY GLEANER 12 Nov]
Youth Studying in Cuba To Return Next Week S 2

GUYANA

Unions Said To Oppose TUC Strike Threat T 1
[GUYANA CHRONICLE 9 Nov]
Fishing Rights Will Be Discussed With Surinamers T 1
[GUYANA CHRONICLE 9 Nov]

JOINT NAVAL EXERCISE TO BE HELD WITH URUGUAY

PY162359Y Buenos Aires TELAM in Spanish 2205 GMT 16 Nov 78 PY

[Text] Bahia Blanca, 16 Nov (TELAM)--The naval operations command at the Puerto Belgrano naval base reported today that the Argentine and Uruguayan navies will carry out joint maneuvers in the Atlantic Ocean between tomorrow and next Monday. Naval aircraft, submarines and naval units will participate in the action.

These maneuvers will consist of surface, antisubmarine and antiaircraft exercises and joint search-and-rescue planning operations.

Capt Jose Antonio Suppicich, commander of the 2d Destroyer Division, will head the Argentine group, and the Uruguayan group will be led by frigate Capt Vicente Pose Pato.

CASTRO MADERO URGES L. AMERICAN NUCLEAR INTEGRATION

PY162156Y Buenos Aires CLARIN in Spanish 16 Nov 78 p 7 PY

[Text] Montevideo (ANSA)--Rear Adm Carlos Castro Madero, president of the Argentine National Atomic Energy Commission, has advocated here a "true Latin American integration" in nuclear matters, indicating that his country's active policy in this sector will allow it to provide 30 percent of the energy which it will consume in the year 2,000 and to become technologically independent by the mid-1980's.

During a lecture given in Montevideo, Castro Madero outlined the stages for obtaining the fuel (detection of uranium deposits, exploitation, refining and conversion), which mark the degree of development of a country, he said. He indicated that Argentina now has control of all stages up to that of refining, although a plant which is being installed in Cordoba will be capable in the future of achieving conversion, the ultimate stage in the process.

The Argentine Government is now promoting a nuclear plan, seeking to stimulate private investments to assume active participation in the various levels of productive sectors, Castro Madero said. He estimated that current private participation in this sector is 40 percent.

Castro Madero stated that his country's nuclear policy must be shared and that it must achieve "a true Latin American integration in this sector to share experience and achievements."

He also asserted that Argentina has no interest in building the atomic bomb, and recalled that his country has signed several treaties which confirm the direction of its effort in this field.

CNEA OFFICIAL OUTLINES URANIUM DIOXIDE PROJECT

PY162035Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1326 GMT 16 Nov 78 PY

[Text] Cordoba, 16 Nov (NA)--Rafael Coppa, the head of the Cordoba factory complex of the National Atomic Energy Commission [CNEA], stated that there is a project to establish a uranium dioxide factory in Argentina. This is necessary material for atomic plants. Coppa also added that the high cost of converting the mineral into an element for the operation of nuclear reactors will compel us to resort to private capital.

In a statement published here today by the newspaper TIEMPO DE CORDOBA, he said: "With respect to this, if we do not obtain the necessary consensus in the Cordoba industrial community, the CNEA would then be inclined to build this factory in San Rafael, Mendoza Province, and not here."

Coppa also said that the directors of the CNEA have repeatedly pointed out the impossibility of implementing the national nuclear program without the participation of the private sector. He said: "The state has the technology at hand, but private capital also plays an important, and sometimes decisive, role." In this sense, he noted the recent call for bids for the complete operation and installation of a mineral treatment and uranium concentration plant in the Gigantes area in Cordoba Province. He called this experience successful, "if we consider that more than 20 sets of bidding specifications have already been requested."

He said that this is the CNEA's own policy, which has generated some resistance because it means a change which some provincial organizations are not prepared for."

Coppa mentioned the means for coordinating state and private interests, and said that there are several ways to do this. "In principle," he said, "we could create a joint association with the participation of provincial governments and shareholders in which the CNEA would provide the technology, with the condition that it be applied in a strictly controlled manner."

Finally, he stated that the importance of the establishment of an uranium dioxide factory is indisputable since it would significantly advance the country toward the goals set by the Argentine plan.

ITALY TO PROPOSE NUCLEAR COOPERATION PROJECT

PY141323Y Buenos Aires Domestic Service in Spanish 1030 GMT 14 Nov 78 PY

[Text] Rome--It was announced in this city that Italy will submit a nuclear cooperation project to the Argentine Government before the end of this month. This project is the result of the visit recently made to Argentina by an Italian mission of high-level officials from the Industry Ministry and the energy sector, aimed at studying the Argentine nuclear program.

NATIONAL NUCLEAR INDUSTRY GIVEN 8-YEAR LEAD OVER BRAZIL

PY141414Y Rio de Janeiro O GLOBO in Portuguese 12 Nov 78 p 46 PY

[Excerpts] Sao Paulo (O GLOBO)--In 4 or 5 years, Argentina will be completely self-sufficient in every stage of the nuclear fuel cycle, including prospecting for uranium, concentrating ore, producing uranium of nuclear purity and fuel elements, and reprocessing. This information is contained in reports submitted by the Argentine delegation to the fifth inter-American conference on technology of materials, which was held in Sao Paulo last week, and in an exclusive interview granted to O GLOBO by scientist Sara Volmon de Tanis, chief of the scientific information center of the Argentine National Atomic Energy Commission [CNEA].

Argentina will achieve fuel cycle self-sufficiency at least 8 years ahead of Brazil, especially because of the line of nuclear technology chosen by that country which is based on natural uranium as fuel and on heavy water as moderator and coolant of the reactor. The main advantage offered by this technology, which is considered one generation older than that chosen by Brazil, is that it does not require enriched uranium, which is the main obstacle Brazil faces to achieve self-sufficiency.

The most difficult stage in Argentina's plan, given the technology it has adopted, is the production of heavy water, which is also considered expensive and requires some technological secrets. Hundreds of tons of heavy water are used not only to fill the reactor but also to continuously replace losses through evaporation, leaks, and so forth. Approximately 40 tons will be required annually to meet the replacement needs of Atucha and Rio Tercero, the first two Argentine nuclear plants. Although this stage is considered difficult, Argentina is already on its way toward overcoming it.

With the experience gained since 1968 in the manufacture of fuel elements, the CNEA feels that it is already in a position to set up a commercial plant for the manufacture of fuel elements which should be completed by 1980. This factory has been planned completely by the CNEA and will be built with domestic components exclusively. Its first production will be divided into two batches of 50 and 150 fuel elements for Atucha, which annually uses more than double this amount. To meet Atucha's annual need for 400 fuel elements--weighing close to 70 tons--the program contemplates the gradual increase of the fuel element plant's output.

In addition to the manufacture of uranium dioxide fuel pellets, the CNEA has a program intended to absorb the technology for making "zircaloy-4", which is used to coat the pellets. The first step was to import tubes and finish them in Argentina. The next step was to import the metal to make the tubes in Argentina, and at this point, the program is trying to manufacture the alloy in the country--which has reserves of zirconium, the basic metal in the alloy.

Regarding the program aimed at mastering heavy water production technology through the electrolytic process--which is the simplest, but is costly in terms of electricity consumption--the CNEA is now putting together a pilot plant which will start operation in 1982. This pilot plant should provide experience for the construction of an industrial-size plant capable of producing 40 tons of heavy water per year, the quantity necessary to replenish the annual losses of the first two Argentine commercial reactors--Atucha and Rio Tercero.

Sara Tanis said that "reprocessing is an urgent need in our overall program" because two cement tanks (demineralized water tanks where used fuel is placed until its radioactivity subsides) are already filled and a third is under construction.

In addition to achieving self-sufficiency in the fuel cycle by 1982 when the heavy water plant will go into operation, Argentina will be able to overtake Brazil in the area of reactor technology as well. In fact, the Argentines are already ahead in this area, but Brazil can still catch up depending on the speed with which the Brazilian-FRG agreement is implemented.

The first Argentine research reactor went into operation in 1958, the same year as the Brazilian one. The difference was that the Argentine reactor was designed by CNEA, while the Brazilian reactor was imported from the United States. Both were of the same "pool" model, and the Brazilian reactor is still in operation in the Atomic Energy Institute of Sao Paulo.

Following the first reactor, CNEA designed and built two more which were installed at the Nuclear Research Center and CNEA headquarters in Buenos Aires. The first had been installed in Ezeiza. At this time, three zero-power reactors: one for the Bariloche center and one for Peru's Atomic Energy Commission; and another 10 mw reactor, also for Peru. [sentence as published] The two reactors for Peru are being provided under an agreement on nuclear cooperation signed by the two countries last year.

In the area of power reactors, Argentina bought the first 320-mw Atucha I from the FRG Siemen Company in 1968 and contributed 12 percent of the electromechanical equipment for that plant. [paragraph continues]

Components built by Argentine industry comprise a list of 71 items, such as heat exchangers, rolling cranes, stainless steel tanks and other containers, condensers (including tubes), containment vessels for nuclear generation of steam, transformers, ventilation systems, control and heavy cables, an assortment of valves and pumps, and most of the steel tubes.

In contrast, Brazil's contribution of electromechanical equipment for the first Angra 1 plant was nil. Brazil's participation in the construction of Angra 1, which will go into operation next year, is represented by 8 percent, primarily in the field of civil engineering. The most sophisticated item designed by national industry for Angra 1 was the layout of the plant's secondary refrigeration system. This work was made by Promon Engineering.

YACYRETA DIRECTOR REPORTS FINANCING PROGRESS

PY131545Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1523 GMT 11 Nov 78 PY

[Excerpts] Buenos Aires, 11 Nov (NA)--On his return from the United States, Jorge Pegoraro, executive director of the Yacyreta binational enterprise, stated here today that "the problem of the Itaipu turbines and the height of Corpus will not affect the normal operation of the Yacyreta dam because of the distance between them."

Pegoraro arrived from Washington, where according to him the loan committee of the Inter-American Development Bank [IDB] approved a $210-million loan for Yacyreta. This will be the largest loan ever granted by the IDB in its history.

Regarding negotiations in Washington, Pegoraro stated that negotiations will begin in January with "another bank," which he did not identify, that will also grant a $210-million loan.

Pegoraro stated that "Yacyreta is the most important work the country has ever undertaken." He added that "once the project is in operation, its production will be equivalent to practically half the present energy consumption of the entire Argentine territory."

Pegoraro added that "the first turbines will begin functioning in 1985 and the entire project will be finished by 1989."

Concluding, Pegoraro noted that "a great atmosphere of understanding and reciprocal cooperation" has characterized the meetings held in Washington between officials from Argentina, Paraguay and the IDE.

BRIEFS

ELECTRIC COMPANY TAKEOVER--Buenos Aires, 3 Nov (AFP)--It was officially announced today that the Argentine Government has signed an agreement to take over all installations and physical assets of the Italian-Argentine Electric Company. The government will take possession of the company within 30 days after the agreement's ratification. The price of the purchase has been set at $92.3 million. [Paris AFP in Spanish 1022 GMT 3 Nov 78 PY]

RELATIONS WITH PAPUA-NEW GUINEA--Buenos Aires, 8 Nov (NA)--According to a joint communique released simultaneously in Buenos Aires and Port Moresby, Argentina established diplomatic relations with Papua-New Guinea on 6 November 1978. Both governments decided to appoint nonresident ambassadors as their respective representatives. [Buenos Aires NOTICIAS ARGENTINAS in Spanish 1520 GMT 6 Nov 78 PY]

SILES ZUAZO, FSB CONDEMN ELECTION DECREE

FY161648Y La Paz Radio Panamericana Network in Spanish 0000 GMT 16 Nov 78 FY

[Text] Hernan Siles Zuazo, former president of the nation and top leader of the Democratic and Popular Unity Front [FUDP], has stated that only the holding of elections in the near future will ease the critical tension affecting the fatherland and the armed forces in this hour of uncertainty and risk.

Siles Zuazo analyzed the country's current situation at a press conference and reported on his activities during his stay abroad. Referring to the recent decree on constitutionalization, he said that it only aims at camouflaging itself as a decree calling for elections, while actually defying the people of Bolivia and putting an end to all possibilities of dialog.

Hernan Siles Zuazo referred in detail to the FUDP position regarding the elections which must be held. [passage indistinct]

Meanwhile, the Mario Gutierrez sector of the Bolivian Socialist Falange [FSB] termed the government's decision to call general elections on the first Sunday of May 1980 an attempt to seek perpetuation in office. An FSB spokesman says that the government's attempts to justify postponement of the elections do not convey the real situation.

The FSB also indicates that the new cabinet should rely on the cooperation of the impartial police officials who guarantee free expression of the popular will, in contrast to the civilian members of the present cabinet who comprise part of the political group of the People's Nationalist Union.

It states that the election decree is intended to put the people to sleep by feeding them with a remote and faint hope, while in actuality everything is being done to keep power where it is.

FUDP PLANS RALLY TO PROTEST ELECTION DATE

FY162048Y La Paz Radio Panamericana Network in Spanish 1700 GMT 16 Nov 78 FY

[Text] The Democratic and Popular Unity Front [FUDP] headed by former President Hernan Siles Zuazo, will hold a large rally on Friday, 24 November, in the Plaza Garita de Lima.

This has been reported to Radio Panamericana by Abel Ayoroa, member of the collective FUDP leadership, who said that the rally will be held to protest the announcement of elections made by the government. He stated that the rally will confirm the popular desire that elections be held during the first half of next year.

On the other hand, the front of fronts, composed of the Historic National Revolutionary Movement [MNR], the Revolutionary Front of the Left and the Christian Democratic Party, will have a joint meeting to study the government decision on general elections in the country. This announcement has been made by Edwin Rodriguez, executive secretary of the Historic MNR, which is headed by Victor Paz Estenssoro.

He also stated that the front of fronts is now functioning on the basis of points of concurrence with the intention of forming a center-left political group.

MIR LEADERSHIP PRESENTS ECONOMIC PROPOSALS

PY141634Y La Paz Radio Panamericana Network in Spanish 1130 GMT 14 Nov 78 PY

[Text] The Movement of the Revolutionary Left [MIR] has reported that plans of an anti-democratic nature may be carried out within the next few months which would be harmful to the citizens of the nation. At a press conference, the top leaders of that political party headed by Antonio Aranibar (?revealed) a number of measures planned by the government [words indistinct]. Analyzing their conclusions regarding the present economic situation, they said that there are two alternatives: devaluation or no devaluation. Regarding the former alternative, Antonio Aranibar stated:

[Begin recording] Devaluation is a corrective measure because the balance between internal and external prices is restored. The advantages and disadvantages of devaluation are:

1. [Words indistinct] and benefits the market by encouraging exports and discouraging imports;

2. Bolivian exports are rigid and the principal imports are those of [word indistinct], foodstuff, pharmaceutical products, etc, induced by movement of capital and the demand of the public sector;

3. The psychological impact of devaluation causes salary pressures and business pressures which, in turn, are reflected in imports induced by the danger of inflation. [end recording]

They also referred to historical experience, as when inflation was mistaken for devaluation in 1956 and when price lists were published in 1972. They then mentioned the immediate measures which should be taken to modify the situation of supply and demand and foreign currency, linking that situation with the building of the gas pipeline to Brazil:

[Begin Aranibar recording] The gas pipeline to Brazil should be finished without tying it to the Mutun project. In passing, we do not believe this is a short-term project, but one of 3 or 4 years. [passage indistinct] Second: Immediate (?promotion) of hydrocarbons exploration by opening more exploration areas to (?foreign) enterprises and by providing Bolivian Government Oil Deposits with more capital for its own exploration by raising fuel prices [words indistinct]. [end recording]

They said that mineral exports should be increased through immediate tax reform since the present tax system does not recognize exploration costs. They also believe that the mining expansion fund should be supported. [words indistinct] The MIR believes that projects should be stopped if they affect the present balance of payments, like the building of Viro airport at Santa Cruz, the lead and silver foundry plant, the motor industry program, etc. They recommend direct (?savings) by the state, such as a reduction of public expenditure with its high share of imports and the reduction of investments in state enterprises.

Antonio Aranibar drew the conclusion that a devaluation of our currency is practically inevitable within the next 6 months due to the present level of international currency reserves. He added that although devaluation of the Bolivian peso would restore the balance of our currency, because of the peculiarities of the Bolivian economy it does not signify any solution at all for the critical economic situation.

He concluded by maintaining that the economic plan which the government will reportedly adopt is contrary to the democratization process and will aggravate the future economic situation.

BRAZILIAN DEMOCRATIC MOVEMENT LEADS IN ELECTION

PY170029Y Porto Alegre Radic Guaiba in Portuguese 2150 GMT 16 Nov 78 PY

[Excerpts] In addition to leading in the states of Sao Paulo, Rio Grande do Sul and Rio de Janeiro--where the Brazilian Democratic Movement [MDB] candidates were expected to win the senatorial seats--the MDB is also leading in nine more states where the vote count is being done more expeditiously.

In Amazonas State, after counting 10,000 votes, the MDB candidates are leading the 3 ARENA [National Renewal Alliance] candidates by 613 votes. In Bahia State, after counting over 3,200 votes, the 3 MDB candidates are leading the only ARENA candidate by 800 votes. In Ceara State, where each party has only 1 candidate for the Senate, MDB candidate Chagas Vasconcelos has 7,649 votes and ARENA candidate Jose Lins de Albuquerque has 4,130.

In Goias State, the 2 MDB candidates are ahead of the three ARENA candidates by more than 1,350 votes out of a total of 13,000 scrutinized. There is greater balance in Minas Gerais State where, after counting almost 27,000 votes, the 2 opposition candidates are ahead of the 2 ARENA candidates by only 590 votes. In Paraiba State the MDB candidates are ahead of the only ARENA candidate by 1,955 votes after counting more than 23,000 votes. In Pernambuco State, after counting more than 5,400 votes, MDB senatorial candidate Jarbas Vasconcelos is ahead of the ARENA candidates by 2,578 votes. In Santa Catarina State, with almost 130,000 votes counted, the MDB candidates are ahead of the ARENA candidates by more than 9,000 votes.

Planalto Palace sources have stated that since the preliminary results of the elections are still so incomplete, it is not possible to predict the final outcome. Yet, the government continues to have confidence--according to presidential spokesman Rubem Ludwig--that ARENA will obtain a majority both in the Senate and in the Chamber of Deputies. Commenting on the favorable results obtained by the MDB in some states, such as Rio Grande do Sul and Sao Paulo, Ludwig said that this fact has disproved reports of pressure exerted by the government and confirmed that the election was held in total freedom and order. President Geisel has been closely following the developments of the vote count from Planalto Palace.

In Porto Alegre, ARENA leaders of Rio Grande do Sul State realized this afternoon that the hopes they expressed this morning that the results obtained by ARENA in the interior of the state could offset the lead obtained by the MDB in the capital will not materialize. The ARENA leadership is certain that, at least regarding the Senate, there is no chance of reversing the present trend.

As of 1854 tonight the following partial results were released in Rio Grande do Sul State after counting 670,206 votes for senatorial candidates: ARENA candidates Mario Ramos, 113,051 votes; Mariano da Rocha, 70,668; Gay de Fonseca, 36,722, for a total of 220,441 votes for ARENA candidates. The only MDB senatorial candidate, Pedro Simon, has 398,127 votes. Since there were 23,434 blank votes and 18,204 voided votes, there is a margin of 177,686 in favor of the MDB.

After counting 236,348 votes for the Federal Chamber of Deputies, the party-ticket vote count stands as follows: ARENA, 75,004; MDB, 131,120; blank, 17,343; voided, 12,881.

After counting 223,230 votes for the state legislative assembly, the party-ticket vote count stands as follows: ARENA, 71,532; MDB, 123,825; blank, 15,641; voided, 12,232.

After counting more than 470,000 votes for senatorial candidates in Sao Paulo State, the MDB is leading by more than 280,000 votes.

Government Predicts 'Draw'

PY161557Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 16 Nov 78 PY

[Text] Although first election results which came in yesterday showed that the Brazilian Democratic Movement [MDB] is generally ahead, Interior Minister Rangel Reis and Social Security and Assistance Minister Nascimento e Silva are optimistic about a victory of the National Renewal Alliance [ARENA] and said that they do not believe the government could be defeated. Minister Nascimento e Silva said that the MDB victory in 1974 was an outcry in protest against some restrictive rules in effect at the time, a situation which has been corrected now. Minister Rangel Reis said that ARENA has votes yet to be counted in these elections. Based on information available to the government since yesterday, it believes that these elections will end in a draw. Projections being made by some authorities give a victory to the MDB in number of votes, but a majority to ARENA both in the Senate and in the Chamber of Deputies, although by a thin margin. These predictions are being made on the basis of election results in 1974 and 1976 and taking into account recent electoral polls.

FUTURE VICE PRESIDENT CONFIRMS MDB MAY JOIN GOVERNMENT

PY161559Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 16 Nov 78 PY

[Text] Voicing an opinion shared with the nation's president, Vice President-elect Aueliano Chaves admitted the possibility that the Brazilian Democratic Movement [MDB] may participate in the government, as presidential spokesman Col Rubem Ludwig also admitted in a press interview. [passage indistinct] However, Francelino Pereira, president of the National Renewal Alliance, refused to make any comment on such prospects.

DIPLOMATIC INFORMATION EXCHANGED WITH U.S.

PY101903Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 9 Nov 78 p 5 PY

[Text] The United States and Brazil yesterday initiated the annual meeting at the level of Foreign Ministry advisers for exchanging information on diplomatic actions by the two countries, in compliance with the 1976 memorandum of understanding. The United States will inform Brazil on SALT negotiations and on the Middle East and European security and cooperation conference.

Annual meetings are called for under the memorandum of understanding and this year the meeting, which ended today, was held in Brasilia. Counselors Ronaldo Sardenberg and Roberto Ardenur, advisers to the Brazilian foreign minister and to the secretary general, participated for Brazil. Anthony Lake, police planning staff chief, and Klaus Ruser, former counselor for the U.S. Embassy in Brasilia, participated for the United States.

BRIEFS

POLICE ON STRIKE--Sao Paulo, 9 Nov (TELAM-EFE)--Sao Paulo police inspectors today began a white strike [huelga blanca] and began releasing those detained for investigation or charged with minor crimes. The police inspectors demand a 25-percent salary increase and will limit themselves to working strictly to rule, maintaining order and detaining only those charged with serious crimes. [Buenos Aires TELAM in Spanish 1745 GMT 9 Nov 78 PY]

PINOCHET, CUBILLOS HOLD TALKS WITH PERUVIAN FOREIGN MINISTER

Pinochet Receives De la Puente

PY162045Y Paris AFP in Spanish 1735 GMT 16 Nov 78 PY

[Text] Santiago, Chile, 16 Nov (AFP)--Chilean President Augusto Pinochet received Peruvian Foreign Minister Jose de la Puente Radbill in a special session today, a meeting which the foreign minister termed as extremely cordial.

De la Puente also held a second work session with his Chilean counterpart, Hernan Cubillos, while officials from both foreign ministries held a meeting here to prepare a joint declaration which will be released tomorrow, Friday.

I extended to General Pinochet a very special greeting from President Francisco Morales Bermudez, said the visiting minister at the end of his conversation with the chief of state.

De la Puente stressed his government's agreement on various points of view regarding the proposals presented by President Pinochet in foreign policy matters.

He added: We have verified that relations between Chile and Peru are extremely cordial and constructive.

The Peruvian foreign minister arrived in Chile yesterday, Wednesday, for an official visit which will end on Sunday.

Beagle Channel Discussed

PY170133Y Paris AFP in Spanish 0016 GMT 17 Nov 78 PY

[Excerpts] Santiago, 16 Nov (AFP)--It was disclosed here today that Chile and Peru, in an apparent message to Argentina, will express their support for peaceful solutions to disputes.

This position, which observers interpret as a reference to the boundary dispute between Chile and Argentina over the Beagle Channel, will be ratified tomorrow, Friday, when Peruvian Foreign Minister Jose de la Puente signs a joint communique with his Chilean colleague, Hernan Cubillos.

Peru, which has asked the two neighboring nations to solve the problem peacefully through messages from its government and its Constituent Assembly, sent Foreign Minister Jose de la Puente to Santiago and Prime Minister Gen Oscar Molina Pallochia to Buenos Aires.

De la Puente arrived here on Wednesday and met today with both President Augusto Pinochet and Foreign Minister Cubillos.

Even though the visit will end on Sunday, the heads of Chilean and Peruvian diplomacy will sign a joint communique here tomorrow summarizing the conclusions of their talks.

Sources linked to the Chilean Foreign Ministry today disclosed that in addition to reaffirming the bonds of friendship between the two peoples and governments, the two leaders will express in that document their support for peaceful solutions for disputes, an indirect message to the Buenos Aires government.

With respect to this, analysts recalled that Peru became concerned when the possibility of a war over the Beagle Channel dispute in the southern cone emerged. Foreign Minister De la Puente himself asked the governments of Buenos Aires and Santiago to try to reach a friendly agreement.

This will be the second communique signed by the foreign ministers of the two countries during the last 5 months. The first document of this sort was issued in Lima when Chilean Foreign Minister Hernan Cubillos visited Peru last June.

AMBASSADOR COMMENTS ON PERUVIAN MINISTER'S VISIT

PY151405Y Santiago Chile Domestic Service in Spanish 1000 GMT 15 Nov 78 PY

[Text] Francisco Bulnes Sanfuentes, Chilean ambassador to Peru, has stated that the visit of Peruvian Foreign Minister Jose de la Puente to Chile is further evidence of the good relations between the two countries.

The Chilean diplomat arrived yesterday in Santiago to welcome Foreign Minister De la Puente on his arrival in Santiago. He said that there is continuous and fluent contact at both the Foreign Ministry and other institutional levels, such as the armed forces. [recorded passage indistinct]

The Chilean ambassador declined, however, to give any details on the text of the joint declaration which the foreign ministers will sign at the end of the work meetings. The joint declaration has been drafted by the Chilean Foreign Ministry and the Peruvian Embassy in Santiago.

Moreover, the Chilean ambassador discussed Peru's concern over the Chilean-Argentine border dispute. He noted the importance given to this issue and the official declaration issued by Torre Tagle Palace.

[Begin Bulnes Sanfuentes recording] As you know, in the past few weeks there have been in Peru two events of great importance. The first was Foreign Minister Jose de la Puente's speech. This speech was not only a statement on the position of the Peruvian Foreign Ministry regarding the issue but also an official government declaration which was previously approved by the Peruvian Cabinet.

Foreign Minister De la Puente categorically stated that Peru is a neutral country in the Chilean-Argentine dispute and that it was hoped this dispute would be solved in a peaceful manner. Furthermore, the Peruvian Constituent Assembly issued a resolution which was submitted by the most outstanding Peruvian political leaders, among them Victor Raul Haya de la Torre and Luis Bedoya, who represent the most important political positions. This resolution was also signed by other political sectors, including the Communist Party whose leader [word indistinct] supported the resolution. [end recording]

This resolution categorically stated that Peru wants to live in peace with its neighbors. Moreover, the Constituent Assembly supported pan-American integration by appealing to Chile and Argentina to achieve a peaceful solution to their dispute.

Ambassador Bulnes Sanfluentes also discussed the Bolivian landlocked situation and Peru's neutrality on the issue.

[Begin Bulnes Sanfuentes recording] Absolutely, [words indistinct] Peru has stated that this is a problem between Chile and Bolivia. I would add that this is not so much a Chilean problem as a Bolivian problem because Chile's borders are in accordance with international treaties. I believe this is a Bolivian problem.

Chile has shown a favorable disposition toward studying Bolivia's aspiration to achieve an outlet to the sea. This does not mean this issue is a Chilean problem. This is a Bolivian aspiration, and Chile supports Bolivia in this regard. I quite agree with the Chilean Foreign Ministry, which states that it will not continue negotiations with Bolivia until our two countries resume diplomatic relations. In this regard Peru has been very prudent, and it has never pretended to take the initiative. Peru has limited itself to stating the same thing that Chile has: that we support the Bolivian aspiration. [end recording]

Bulnes Sanfuentes also noted that the Peruvian mass media have reported that Peru does not have any pending problems with Chile. Ambassador Bulnes Sanfuentes will stay in Chile for a little over a week.

CUBILLOS SAYS ARGENTINE RESPONSE TO BEAGLE NOTE UNDER STUDY

PY161242Y Santiago Chile Domestic Service in Spanish 1000 GMT 16 Nov 78 PY

[Text] Foreign Minister Hernan Cubillos yesterday stated that there are no direct negotiations with Argentina. He said he was studying the Argentine response to the Chilean note sent on 2 November to decide what course will be taken. In its response, Argentina accepts the mediation of a friendly country to solve the southern border dispute.

[Begin recording] [Cubillos] Well, there are certain matters which still need further study (?and this is exactly) what we are doing. We are going to find an adequate answer.

[Question indistinct]

[Answer] No, there are no direct negotiations at this time.

[Question] What about the third stage?

[Answer] There is a third stage in the sense that we must [word indistinct] those points which were (?agreed) upon by the mixed commission No 2. [end recording]

Argentina states in its response that the results of the 6-month-long negotiations by mixed commission No 2 are positive.

Foreign Minister Cubillos also discussed the visit which Peruvian War Minister Oscar Molina is making to Argentina.

[Begin Cubillos recording] I encourage all these official visits because they help strengthen ties between nations. I believe that this visit further reveals what we may call the Peruvian attitude regarding the Chilean-Argentine situation. Now in answer to your question, I believe that with this visit Peru is reflecting a correct attitude regarding this situation [words indistinct]. [end recording]

Cubillos made this statement before leaving for Pudahuel airport to welcome Peruvian Foreign Minister Jose de la Puente.

FOREIGN MINISTER DENIES POSSIBILITY OF MILITARY COUP

PA162255Y Paris AFP in Spanish 2133 GMT 16 Nov 78 PA

[Text] Bogota, 16 Nov (AFP)--Colombian Foreign Minister Diego Uribe today dismissed any danger of a military coup in the country and announced the establishment of relations with several African countries. At a meeting with members of the foreign press association the foreign minister emphasized that the "technical possibilities do not exist" for a coup d'etat. He also said that President Julio Cesar Turbay's government recently initiated relations with Iraq, Nigeria and Vietnam and expects to do so with Morocco and Algeria.

Concerning the old demarcation dispute involving marine and submarine areas between Colombia and Venezuela, Uribe rejected any arbitration to solve it, emphasizing his preference for direct negotiations. He recalled that Venezuelan Foreign Minister Simon Alberto Consalvi will arrive on 11 December in Bogota to sign an agreement to fight international narcotics gangs and to revise the agreements on border integration.

He considers the recent Amazon pact to be of great importance, but warned that this pact should not be implemented by ignoring the neighbors of the subregion. The minister also asked for a strengthening of the Latin American Free Trade Association to prevent the disappearance of the Andean group. He said that this point is now being analyzed in Montevideo.

Uribe revealed that Colombia will send observers to the nonalined summit conference that will be held in Havana. In referring to the Nicaraguan situation he said that mediation in that country has failed and defended the firm position of Presidents Turbay and Carlos Andres Perez in denouncing Anastasio Somoza's regime in the United Nations.

The foreign minister criticized Europe for not concerning itself with Latin America and for not helping it in economic and scientific fields. He said that if Spain joins the EEC, King Juan Carlos' initiative of creating an Ibero-American community of nations will become a dead issue. In his opinion, it would be deplorable if Spain forgets its racial brothers because after it joins the EEC its ties and economic exchanges will be very different.

The foreign minister emphasized that the Colombian Government is prepared to punish those who may eventually be found guilty of torturing political prisoners. He was referring to charges made in this respect, which high military circles denied on Wednesday. In answer to another question the foreign minister denied the supposed existence of foreign military bases in the Macarena mountain range in eastern Colombia. In this respect he said that the present troop mobilization is in response to an executive branch decision to fight drug smugglers, not only in this region but in others, such as the Guajira Peninsula, on the border with Venezuela.

COUNCIL OF MINISTERS DENIES TORTURE CHARGES

PA161719Y Bogota Cadena Radial Super in Spanish 1100 GMT 16 Nov 78 PA

[Excerpt] The government flatly denied last night that the Military Institutes Brigade tortured the prisoners at its disposal. The statement was made at the end of a regular Council of Ministers' meeting which lasted until 2200.

Deliberations were held to analyze documents and evidence and to hear the testimonies of some of the ministers who upon orders of President Julio Cesar Turbay Ayala examined the complaints.

One of the basic factors in this pronouncement which absolves the military units was the remarks by Justice Minister Hugo Escobar Sierra who [word indistinct] the people arrested for activities against public order precisely by members of the military intelligence service of the Military Institutes Brigade, talked to those people, took their testimony and presented the testimony in the deliberations of the Council of Ministers.

It was made known that an official document will be released soon supporting the clear-cut conduct of the armed forces regarding those arrested for activities against public order and setting forth the government's attitude of rejecting denunciations of alleged torture of prisoners.

Military Communique Makes Denial

PA161720Y Bogota Cadena Radial Super in Spanish 1100 GMT 16 Nov 78 PA

[Text] Bogota--The military forces again denied torturing those arrested for activities termed subversive. In a 19-page communique the Military Institutes Brigade indicates that between 17 and 26 October 103 people were arrested--75 men and 28 women, most of them students--during raids conducted by military personnel.

It also published a long list of the attacks staged by members of the Pedro Leon Arboleda commando group, part of the pro-Chinese Popular Liberation Army, this year as well as the military materiel, explosives, weapons, ammunition and documents seized during the operations. The communique adds that 30 of the prisoners are still being held in 2 Bogota jails while the other 73 were released after military judges heard their testimony during the investigations.

The communique reveals that the captured documents include an indoctrination manual which tells urban guerrillas how they should act if arrested and, later, during questioning and in court in order to gain the sympathy of the public and thwart the work of justice. It adds that the immediate future plans of the subversive groups, such as the creation of rural guerrillas in an area of the central Department of Tolima, attacks on police precincts, burning vehicles, instructions to obtain long-range weapons and so forth, were uncovered.

Reiterating that these people have not been mistreated, the brigade reports that the confiscated materiel and documents are at the public's disposal at its Bogota headquarters.

GOVERNMENT OFFICIAL CLAIMS M-19 NEVER EXISTED

PA152017Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 15 Nov 78 PA

[Text] Secretary General of the Presidency Alvaro Perez Vives gave assurances here today that the clandestine M-19 movement has never existed and is only a ghost organization. Perez Vives said that the M-19 is merely a symbol being used by common criminals to disguise their illegal activities and to twist the investigations carried out by authorities.

Crime always leaves its tracks, the official commented in rejecting the existence of the M-19 movement, which made its appearance in Colombia a few years ago by stealing Bolivar's sword.

Perez Vives said that the persons who killed former Government Minister Rafael Pardo Vuelvas had been common criminals trying to disguise their activities by appearing as political activists.

MINISTERS NOTE REDUCED INCOME FROM OIL EXPORTS

PA091725Y Quito Cadena del Triunfo in Spanish 1255 GMT 9 Nov 78 PA

[Text] The ministers of natural resources and finance have both affirmed that an increase in the domestic consumption of oil has caused a reduction of revenue from oil exports. In separate statements, the ministers also shared the opinion that by 1979 programs for the future development of oilfields will increase the present production of 210,000 barrels a day.

Should this occur, it would be possible to meet the needs of domestic consumption and industries which need oil while still maintaining exports. Nevertheless, Finance Minister Juan Reyna emphasized the need for Ecuadoreans to erase the illusion of oil wealth [petrolerismo] from their minds and return to reality. Reyna reiterated that the so-called oil boom--which began in 1972 and provided as much as 56 percent of the national budget on occasion, permitting the country to achieve an economic growth rate of 17 percent--has ended.

According to Reyna, revenue from oil will be approximately $120 million in 1978, equivalent to 10 percent of government expenses budgeted for the year. Despite this, the [word indistinct] will increase by 6 percent, thus becoming one of the best in Latin America and in many industrialized countries.

[Begin Reyna recording] The truth [words indistinct] is that those of us who are in government service, particularly in the areas of finance and economy, feel overwhelmed, really overwhelmed, by the large number of requests for budget increases that are received, particularly those presented by regional administrations. [Words indistinct] the belief that because of the existence of oil the Treasury has unlimited resources and is capable of providing sums in the millions because the cash is available. This is not true.

If we were to add up all the requests received from the regional governments and public entities subordinate to the central government, not even the total budget for 4 years could meet the volume of requests. That is, in saying that we must live in reality, I wanted to indicate that we must give up the illusion of oil wealth. [end recording]

For his part, Natural Resources Minister Eduardo Semblantes reported that oil production in the first 9 months of this year totaled 54 million barrels; that is, 11 percent more than the same period last year. On the other hand, domestic consumption in the first 9 months of 1978 was [figure indistinct] million barrels, equivalent to 27 percent of the amount in 1977 [sentence as heard].

Semblantes Polanco called for a rationalization of domestic consumption, emphasizing that the cost of producing a barrel of oil is as much as $4.00, but that the local price is being maintained at 48 cents.

In any case, the minister is optimistic regarding the possibility of increasing production on the basis of work (?and exploration) of more oilfields in Ecuador's eastern jungle and other areas.

In addition, the minister has confidence in new explorations to be carried out by international companies that are ready to operate within the framework of laws and incentives which the government announced this year. Among these companies are Occidental Petroleum, Shell, [words indistinct]. These explorations will increase the proven reserves, presently estimated at 1.5 billion barrels, which are sufficient to last for 20 years at the present rate of exploitation.

[Begin recording] [Question] Mr Minister, do you agree or disagree with the phrase: There is no great bonanza because there is not that much oil?

[Semblantes Polanco] I told you very clearly that the problem of oil, the problem of production, will (?become worse). The bonanza, as you term it, is somewhat subjective. The fact that there is a very high domestic consumption among the Ecuadorean people being subsidized is a relative bonanza for them. However, I personally believe that from the viewpoint of the state, consumption must be made more rational. I believe that the data published by the press has already motivated Ecuadoreans to seek this rational level of consumption. I believe that it is now necessary for us to reach a decision not to waste any more of this (?bonanza) because our children also need hydrocarbons. [end recording]

Politicians' Reactions

PA101529Y Quito Cadena del Triunfo in Spanish 1255 GMT 10 Nov 78 PA

[Excerpts] The statements made simultaneously by the finance and natural resources ministers on petroleum and its influence on the nation's economy have produced negative reactions here. Abdon Calderon Munoz, former presidential candidate for the Alfarist Radical Front, has charged that the military government is paving the way for decreeing a gasoline price increase. He added that the finance minister claimed the treasury is short of cash solely to justify an increase in fuel prices.

Christian Democratic leader Fausto Molina considered the ministers' statements to be contradictory and incoherent. Nobody knows what is happening with our petroleum, and if some government official does know, he does not dare explain, Molina said. He demanded truthful information on the subject and stressed the importance of the issue of petroleum on the political scene during the past few years.

SUPREME ELECTORAL TRIBUNAL APPROVES REPORT

PA152118Y Quito Voz de los Andes in Spanish 1730 GMT 15 Nov 78 PA

[Excerpt] The Supreme Electoral Tribunal yesterday approved the report it will submit to the national government on the actions taken by previous tribunal members in regard to the electoral process. Approval of the report, which was not released, was accomplished shortly before the resumption of the presidential vote count in Azuay Province. Tribunal President Gustavo Chavez Estrella talked to newsmen yesterday. He said:

[Begin Chavez recording] Under the present law on elections, the Supreme Electoral Tribunal has been able to verify that certain irregularities have taken place, but these irregularities have not resulted in a nullification of the elections because they are not listed as causes for nullification in Article 69 of the elections law. In the opinion of the tribunal members, however, they constitute an attempt to violate the will the people expressed at the polls. [end recording]

BRIEFS

OIL EXPORTS--Ecuadorean State Petroleum Corporation exports for the third quarter of this year were 59 percent more than those of the same period of last year, a total of 6,891,483 barrels. Exports for July, August and September of this year averaged over 2 million barrels. The total amount for the first 10 months of 1978 is more than for the corresponding period of the previous year. [Quito Voz de los Andes in Spanish 1730 GMT 11 Nov 78 PA]

TIES WITH ARGENTINA TOPIC OF 'HIGH-LEVEL' MEETING

PY081344Y Asuncion HOY in Spanish 8 Nov 78 p 11 PY

[Text] Several issues regarding bilateral relations and particularly trade between our country and Argentina were discussed yesterday at a high-level meeting held at government house by Gen Alfredo Stroessner. The meeting, which lasted for 2 hours, was attended by Tomas Romero Pereira, minister without portfolio; Sabino A. Montanaro, interior minister; Alberto Nogues, foreign minister; Delfin Ugarte Centurion, industry and commerce minister; and Gen Marcial Samaniego, defense minister. Also present were Juan Ramon Chaves, president of the Senate and head of the National Republican Association-Colorado Party; and Antonio Masulli Fuster, Paraguayan ambassador in Buenos Aires.

Industry and Commerce Minister Ugarte Centurion stated that "our relations with Argentina" have been discussed. He did not want to expand on the subject, however, and restricted himself to stating that the meeting was one of the usual meetings with the president "to receive instructions."

Minister Samaniego also stated to newsmen accredited at government house that various issues regarding trade between Paraguay and Argentina were discussed, but when he was asked a specific question, he answered: "We talked about general subjects."

Foreign Minister Nogues refused to mention the subject discussed at the meeting held in President Stroessner's office. When newsmen asked whether it was true that they had discussed issues regarding bilateral Paraguayan-Argentine relations or the tripartite meetings, Nogues answered: "We did not even talk about that issue."

Ambassador Masulli Fuster, in turn, admitted that they had broadly discussed trade between our country and Argentina, and he stated that "Paraguayan-Argentine relations continue to be good with the ups and downs that are usual when important interests are at stake."

After mentioning the waiting period in the negotiations between the two countries due to the recent events regarding the Beagle problem between Argentina and Chile, Ambassador Masulli Fuster added that "the negotiating spirit remains unchanged," and that "in general, our relations have always been very good, with a strong inclination to dialog."

Masulli Fuster concluded by mentioning the tripartite meeting on the compatibility of the Parana hydroelectric projects by stating that the three countries are reviewing the situation and "it would not be surprising if a new meeting were held at any moment."

EDITORIAL QUESTIONS ARGENTINE PARANA RIVER TACTICS

PY131506Y Asuncion HOY in Spanish 11 Nov 78 p 11 PY

[Editorial: "A Dubious Argentine Checkmate"]

[Text] The time has come to inquire into Argentina's intentions regarding hydroelectric projects. Yacyreta should be excluded from these considerations since it is about to be constructed, is confirmed by treaty and has already been financed. The others are contained in papers in a huge archive filled with plans and projects, certainly good intentions and in many words which have been hurled to the wind in statements, weighty or trivial, empty or of some meaning, and printed or recorded in the daily publications of our neighboring country.

The latest signs of irritation in Buenos Aires were seen in the reaction to the Paraguayan-Brazilian agreement to add 2 reserve turbines to the 18 which were included in the agreement to undertake the Itaipu project. On the banks of the River Plate they have obstinately refused to understand the word "reserve," and although they never said so, they presumed and hinted that the partners in the Itaipu enterprise wished to increase the production volume of the power plant by adding two more generators, which would harm the future of the planned Corpus dam. This should also worry Paraguay, as a direct partner, and Paraguay should also desire a true guarantee against its obstruction. But it is apparently possible to harbor two different criteria regarding one and the same thing, especially when other interests are involved and when there is a wish to reap a political advantage, which in the long run is an economic advantage, from a given situation.

The main question is the coordination of the projects, in search of which innumerable meetings have been held and more will probably be held because it is certainly not a simple matter. But that coordination is not endangered by two reserve turbines and the Argentine objection is therefore unfounded. Future studies should still be made on the basis of the earlier talks. Meanwhile, in the game of words some have been uttered which caused some damage. This exchange of words cannot lead to agreements which are attainable and necessary, even though the difficulties to attain them are fully recognized.

In the game of pressures, the latest check played by the Buenos Aires strategy on the chessboard of the hydroelectric plants and the use of the Parana, the river holding the most energy in the world, appears to be subject of the most disputes. A decree has authorized the water and power enterprise to receive Soviet assistance for the exploitation of the middle Parana, that is, the stretch of the river where both banks are in Argentine territory but which nevertheless remains an international river, affected by inalienable rights of free navigation. The exploitation project can therefore not be an exclusively Argentine matter, but will affect and interest all countries of the River Plate basin.

Theoretically it is an excellent project which will contribute to converting this region of America into a vanguard of electric energy. Furthermore, it will permit deep-draught ships to sail up to Corrientes, which may become a deep-water port. In other words, a prodigious engineering task along a 600-km river stretch will produce 5.5 million kw, less than half of Itaipu's production but at a cost which is supposed to be much higher, even higher than that estimated for Corpus but with a lower estimated production than the latter.

For these reasons, it must be presumed that the bomb dropped by Argentina in the form of a possible alliance with the Soviets is only an attempt to gain advantage for its vaunted Corpus height, which by all indications has already been agreed to at 105 meters, but which Argentina now wants to increase a few meters more, speculating with the 20-turbine agreement and pretending to throw itself into the arms of the Kremlin--unless this is its true intention and it wants to drive a wedge into America in Soviet company, using the old route of Sebastian Cabot. This will not exactly win the sympathy of her neighbors in this continent, but will rather be looked upon as an American guerrilla movement with a conflict here and another there to the rhythm of the dance immortalized in Argentine folklore, while proclaiming peace and understanding.

All this is a simple will-o'-the-wisp poorly managed by the diplomacy of our neighbor since there are no countries with which it could find better harmony than its neighbor. If Argentina believes that her neighbors will play dirty with the two additional turbines, legal mechanisms will be available to protest if it is necessary. To go so far away to seek a friendship it does not wish to find among its neighbors raises several questions which will have to be answered soon because it does not involve political and soft credits but an inflexible style of living and thinking.

SOMOZA ENVOY ARRIVES ON GOOD WILL TRIP

PA162111Y Paris AFP in Spanish 1557 GMT 16 Nov 78 PA

[Text] Lima, 16 Nov (AFP)--Orlando Montenegro, the Nicaraguan president's special envoy, has arrived here on a "good will mission" that will later take him to Ecuador and Colombia. Montenegro, who is minister of the Federal District of Managua, said that his tour of these countries is aimed at explaining the true situation in Nicaragua because "a distorted image of it has been created."

He accused the Sandinist movement, which is fighting the government of President Anastasio Somoza, of "being a group of terrorists trained in Cuba and given financial assistance by some Latin American countries." He did not specify any countries in his statement.

He also said that although the government "dominates the situation, controls the country, has the support of the majority and the loyalty of the army, an impasse remains because the opposition has refused to accept President Somoza's continuation in power and demands his resignation and departure from the country.

After indicating that Somoza will conclude his term on 1 May 1981--he was elected in 1954 and reelected successively--he said that the refugees who are presently located in Honduras and Costa Rica are gradually returning to Nicaragua because the doors have not been closed to them.

Commenting on Commandant Cero, the leader of the Sandinist army, Montenegro said "he has not been seen anywhere." Montenegro said that Ernesto Cardenal, a poet and priest who recently visited Peru, "is an obstinate enemy of the Somoza government."

Montenegro was received here by Nicaraguan Ambassador Renato Lacayo, who will introduce him to Peruvian authorities during his 2 or 3 day stay.

MOSCOW MAYOR BEGINS 5-DAY VISIT, CONFERS WITH MAYOR OF LIMA

PY160001Y Lima Domestic Service in Spanish 1200 GMT 15 Nov 78 PY

[Text] Lima Mayor Enrique Falconi Mejia gave a detailed report of the problems which are affecting Lima to his colleague from Moscow, Vladimir Promyslov, who is in Peru on a 5-day official visit.

Promyslov arrived in the Peruvian capital at 0400 and 7 hours later held an extensive meeting with high-ranking officials of the Lima Provincial Council in the Blue Room of the Town Hall. Today he will be received by President Francisco Morales Bermudez in a special audience. He will also pay his respects to the foreign minister at the Torre Tagle Palace.

Promyslov showed interest in various aspects of Lima's urban life and, according to a source close to the delegation, the transport, street cleaning, sanitary and urban expansion systems were discussed, among other topics.

Meeting With President

PY161656Y Lima Domestic Service in Spanish 1200 GMT 16 Nov 78 PY

[Text] President Francisco Morales Bermudez, in a special audience, received Moscow Mayor Vladimir Promyslov (?who said that this) is a wonderful opportunity to strengthen Peruvian-USSR relations.

At the close of the meeting, held in the president's office, Promyslov extended to Morales Bermudez the greetings and wishes for prosperity to the Peruvian people of the highest-ranking USSR leaders.

COMMITTEES NEAR END OF WORK ON CONSTITUTION

PY141511Y Lima Domestic Service in Spanish 1200 GMT 14 Nov 78 PY

[Text] Three special [Constituent Assembly] committees practically finished their work yesterday and will submit their documents today to the main committee, presided over by Luis Alberto Sanchez, charged with drafting the overall plan for the new constitution.

Education, culture and native cultures, chaired by Humberto Carranza Piedra; health, social security and welfare, chaired by Marco Antonio Garrido Malo; and state; executive and legislative affairs, chaired by Carlos Enrique Melgar; are the committees which have concluded their tasks. The fundamental rights and duties committee, chaired by Mario Polar Ugarteche, has already handed in its proposals.

It was reported yesterday that the three previously mentioned committees concluded their respective articles, which must be signed today and then submitted to the main committee.

The education, culture and native cultures committee has written into its articles free and democratic education and university autonomy. It also maintains the principle that education must have as an objective the preparing of students for work and that it must also be directed toward the consolidation of the integration processes being undertaken by Peru.

Sanchez indicated that during today's plenary session, to begin at 1700, there will be a general debate about the significance of the Peruvian Constitution and each political group represented in the assembly will have the opportunity to give its opinion.

After a meeting with the chairmen of the special committees for constitutional affairs, Sanchez indicated that the general debate will help accelerate the drafting of the new constitution.

He reported that in principle it has been agreed that one representative of each political group will explain its opinion and proposals. The representative of the Peruvian Communist Party will be the first to speak.

Sanchez indicated that through the general debate we will be mutually informed. We will discuss our viewpoints in order to accelerate the drafting of the complete constitution on the basis of proposals and discussions.

Four subcommittees were created which will fully and in detail study a large portion of the documents submitted to the main committee. They are: education, culture and native cultures and folklore; health, social security and welfare; state, executive and legislative affairs; and labor and union rights.

MINE PRODUCT MARKETING TO REMAIN IN GOVERNMENT HANDS

PA111531Y Buenos Aires LATIN in Spanish 1308 GMT 11 Nov 78 PA

[Text] Lima, 11 Nov (LATIN)--Energy and Mines Minister Gen Juan Sanchez has said that the state will continue to handle the marketing of mining products directly. He added during a news conference that the state has greater economic power which enables it to obtain better prices.

Peru took the sale of minerals away from private hands a few months after Gen Juan Velasco Alvardo overthrew Frenando Belaunde Terry, the last constitutional president, in October 1968.

The minister made the official position clear yesterday during the closing of the 14th convention of Peruvian mining engineers. Sanchez said: "The state has full control of the marketing of minerals because of its handling power, which enables it to compete more successfully with any individual seller." He did not rule out "a certain role" for the private sector in the sale of mining products, but did not elaborate.

Sanchez said that the law regulating the Peruvian State Mineral Marketing Company (MINPECO) is being revised "so that private producers can maintain closer contact with one another and help achieve greater and better sales of mining products."

During a news conference on 13 October, President Francisco Morales Bermudez mentioned the possibility of a mixed marketing of mining products--that is, by private and state enterprises.

GOVERNMENT AMENDS MINING PROFIT-SHARING LAW

PA152339Y Paris AFP in Spanish 1618 GMT 15 Nov 78 PA

[Text] Lima, 15 Nov--It was announced here today that the Peruvian Government has changed the law on profit-sharing [cogestion] in mining to increase direct participation by workers in benefits deriving from those enterprises which generate 50 percent of the country's income. While maintaining the same percentage of profit distribution [to workers]--10 percent of net income before taxes--the new law substantially reduces the quota formerly assigned to the Mining Compensation Community [Comunidad de Compensacion Minera]. This body, made up of the communities at each mine, formerly received 8.5 percent of the profits for proportional distribution among all mining groups. Under the new legislation, it will receive 2 percent.

The Mining Compensation Community recently rejected any attempt to change the profit-sharing law, promulgated in 1971 by Gen Juan Velasco's regime, on the grounds that its amendment would benefit only the mining companies.

The new law, which retains participation by workers on the board of directors of the mining companies, provides that the companies will assign workers 5.5 percent of their net income for the purchase of workers' shares, bonds or other stock. The law also directs the companies to turn over to their respective communities, which are attached to [paralelas] each labor union, 2.5 percent of their benefits to be distributed as follows: 0.5 percent for maintenance of the organization and 2 percent to be distributed proportionally to the miners.

MINES MINISTER GIVES OIL EXPORT FIGURES

PA130031Y Buenos Aires LATIN in Spanish 2137 GMT 11 Nov 78 PA

[Text] Lima, 11 Nov (LATIN)--Peruvian Energy and Mines Minister Gen Juan Sanchez Gonzalez has disclosed here that Peru currently exports 138,000 barrels of petroleum monthly. Sanchez added that the country consumes 115,000 barrels daily, and that the oil comes from the Amazon jungle region, the continental shelf, and the northern part of the country.

Sanchez, who was speaking at an informal press conference yesterday following the closing session of the 14th convention of mining engineers, said that "it is still too early to speak of the possibility of Peru joining the Organization of Petroleum Exporting Countries." Nevertheless, he admitted that an increase in the price of crude will affect the country since Peru still must import some derivatives because the Peruvian refineries "are not complete."

Peru has recovered its status as an oil exporter after 2 decades because petroleum is being extracted from the Amazon region, which is transported to the coast via the north Peruvian oil pipeline spanning a distance of 950 km.

NAVY JUSTIFIES AIRCRAFT PURCHASES FROM ITALY

PA132232Y Lima EXPRESO in Spanish 3 Nov 78 p 2 PA

[Official Communique No 62 of the Public Relations Department, Department of Naval Information; Lima, 4 November 1978]

[Text] In response to a weekly newspaper report which distorts the truth and may confuse the public concerning the purchase of aircraft, the Peruvian Navy advises the public of the following:

First: On 14 July 1975, the Peruvian Navy signed a contract with the company Construzioni Aeronautiche Giovanny Agusta S.P.A. of Italy for the purchase of Agusta Bell helicopters manufactured under U.S. patents.

Second: On 19 May 1977, the Peruvian Navy signed another contract with Construzioni Aeronautiche Giovanni Agusta S.P.A. of Italy for the purchase of Agusta Sikorsky helicopters, also under U.S. patents, with corresponding equipment, spares, tools and services according to respective legal norms.

Third: In its decision to enter into the contract signed on 19 May 1977, the navy, as usual, requested the opinions of the respective technical analysis boards. Subsequently, the navy minister and commander in chief of the navy considered it appropriate to appoint a high-level board composed of the chief of the general staff representing the navy minister, the commander in chief of the squadron, the director general of economy, the director general of logistics and the deputy chief of the general staff. This board issued a unanimous and final report on 21 April 1977 recommending that the contract be signed.

Fourth: According to the existing legal provisions, the armed forces joint command authorized the purchase of the Agusta Sikorsky helicopters on 27 May 1977. The legal department of the Economy and Finance Ministry, the Comptroller General's Office and the Public Credit Administration also gave their approval.

Fifth: The Peruvian Navy deplores the issuance of public statements without requesting pertinent information causing public confusion on such sensitive matters as defense and national security. Lima, 4 November 1978.

[Signed] Public Relations Department, Department of Naval Information

BRIEFS

ECONOMY MINISTER IN JAPAN--Economy Minister Javier Silva Ruete met with the president of the Overseas Economic Cooperation Fund yesterday in Tokyo. Silva and (Daneo Ishihara) discussed the cooperation between the two countries and the possibility of expanding it in the immediate future. Silva also asked that several Peruvian development projects be financed by the fund. [Lima Domestic Service in Spanish 1200 GMT 14 Nov 78 PY]

OIL SALE TO JAPAN--Lima, 7 Nov (AFP)--The Peruvian State Petroleum Enterprise reports that Peru will sell 255.5 million barrels of petroleum to Japan over a 15-year period. It said this agreement, which will go into effect in January, is part of another whereby the Japan Petroleum Company granted Peru a $300-million loan in 1974 to finance the northern oil pipeline. It added that the petroleum will be sold at the international market price after domestic demand has been satisfied. [Paris AFP in Spanish 2134 GMT 7 Nov 78 PA]

DEFENSE MINISTRY DENIES ATTACK ON MILITARY POST

PA161444Y Caracas Radio Continente Network in Spanish 1000 GMT 16 Nov 78 PA

[Text] The Defense Ministry has issued a communique denying a Caracas newspaper report of an alleged attack on a military post in Guarico State. The communique states: The Defense Ministry notifies the public that on 15 November, a newspaper published a report of an alleged attack on an army post in Zaraza, Guarico State. The communique categorically denies this report and adds that no action of this nature has taken place. The armed forces remain vigilant throughout the national territory to guarantee order and peace in accordance with the Republic IV Plan in support of the electoral entities. It also indicates that investigations are being undertaken to determine the origin of the report.

PRESIDENT PEREZ ACCLAIMS INDUSTRIAL PROGRAM

PA120208Y Caracas Domestic Service in Spanish 1559 GMT 11 Nov 78 PA

[Speech by Venezuelan President Carlos Andres Perez apparently at inauguration of the Orinoco Mining and Steel Project in Ciudad Guayana on 11 November 1978--live]

[Excerpts] Twenty billion bolivares have been needed to fully bring the fourth SIDOR plan to its final stage. This amount includes the cost of the project's construction and its complete implementation. Such an investment in a single project is unparalleled in the country's economic history , and it has been made possible by our determination to develop industry, aware as we have been of the importance, convenience and need for increasing our steel production for the country's future economy.

These accomplishments certainly give us confidence in the country's great future. Investments in fixed assets already total 14.699 billion bolivares and so far 8.677 billion have been invested. Some (?6.334) billion has come from the Venezuelan Investment Fund, 4 billion from capital expenditures and 2.8 billion from credit. [all figures as heard] This means that 80 percent of what has been invested here is oil revenued.

At the end of the 1980's we will produce more than 10 million tons of steel. This extraordinary plant in Guayana, where in a few years it has been possible to create this formidable industrial development for all of Venezuela, is no doubt the key industry which will permit the continued development of all regions for our country's great future. It is from this site that one can realize the country's greatest industrial concentration.

Next to the SIDOR facilities are the two aluminum plants which we mentioned at the beginning, Alcasa and Venalum. Alcasa now produces 120,000 tons; Venalum will be able to produce 280,000 tons. Exports to Japan have already begun. New lines of production will be progressively introduced until production reaches 280,000 tons in 1981. Total production will amount to 400,000 tons. More than 90 percent, that is, valued at close to $500 million, will be earmarked for exports. This will be the equivalent of an annual export of 105,000 tons of barrels per day. Contracts have already been signed to export 160,000 tons of aluminum to Japan for 10 years, and in view of that country's great interests in insuring greater supplies from abroad, especially from Venezuela, both the Guayana Corporation and the Venezuelan Investment Fund are planning to establish a new line capable of producing 70,000 tons at Venalum, raising the overall capacity of this plant from 280,000 to 350,000 tons.

Since nature has been generous to Venezuela, we will not need to buy bauxite or alumina for some time because we have discovered bauxite in Venezuela at a large mine reportedly containing more than 500 million tons.

It will give us security and supply bauxite for more than a century. Bidding has already started on building an alumina plant that will initially process 1 million tons. There are many projects under way in this same region of Guayana, promoted by this bold policy of development of heavy industry outlined by my government and the economic incentives and support that in many cases it has given private industries.

In Guayana we have not only nationalized iron, but aluminum and gold as well. When I began my administration I was presented with a contract signed with Japan for an aluminum plant with 80 percent Japanese capital and 20 percent Venezuelan capital. In accordance with the idea that the national interest is not negotiable, I ordered the nullification of that agreement. After a number of difficult negotiations, we established the industry the other way around--80 percent Venezuelan and 20 percent Japanese.

With regard to gold, the situation was even more unusual. A German firm with capital of $1 million had obtained a loan from the Venezuelan Development Corporation for 120 million bolivares to exploit gold in El Callao. With the same argument that one does not enter contracts contrary to the national interest, I dissolved that agreement. To avoid long debates and discussions we decided to return the $1 million to the German gentlemen and we created the National (Milarven) Enterprise to exploit Venezuelan gold. [applause]

It is going to begin producing. We will produce 5,000 kg of gold a year in 8 years. This will be new wealth for our country. This will further strengthen our reserves because this gold will enter the central bank and it will be Venezuelan gold ingots which will increase our future gold reserves. [applause]

By the same token, during last Tuesday's cabinet meeting we gave final approval to the agreement with a Spanish-Canadian consortium to begin building the railroad that will go from Guayana to Valle del Tuy in the central part of the country. [applause]

By 1978 the total established capacity for generating electricity comes to the extraordinary figure of 6.545 billion kw. That is a 100-percent increase in the past 4 years. However, we already know--all regions in the country know--that the power supply is inadequate, resulting in bothersome, unpleasant blackouts in all parts of the country.

What has happened in Guri? One of the greatest hydraulic works ever built in Latin America is going to be built at a cost, as I reported, of 17 billion bolivares. The future of all we are building, of all we are developing, depends on the completion of that project within the established deadline. If work goes beyond the construction deadline, if we reach 1985 and the Raul Leoni dam is not operating at full capacity, we will not have the energy resources to meet the requirements of industry and national development in general. It is a matter of life or death for the country.

There is a truly impressive figure which I would like to quote because it constitutes an endorsement of the responsible manner in which the government has acted. Between 1969 and 1973 Venezuela's oil production amounted to 6.467 billion barrels--an average of 3.542 million barrels per day. In the 5 years from 1974 to December 1978, Venezuela's oil production will amount of 4.831 billion barrels.

In other words, during my constitutional term we have been extracting one third the amount of oil that was produced during the previous 5-year period. The oil that has not been removed has accumulated and serves today to prolong the existence of our oil reserves. [Word indistinct] the country's economy they are resources available for the execution of new programs, for the execution of the important development projects that this country will continue to need for a great Venezuela.

In terms of figures, we have saved 1.636 billion barrels over the past 5 years as compared with production figures for the previous 5 years. In accordance with this conservationist policy, we have abstained from producing over 1 million barrels per day.

Already in the 1978 budget, oil's contribution represented only 57 percent of total revenues. We have enormous energy resources. Venezuela has Latin America's most important oil and gas reserves and the world's largest heavy petroleum reserves. According to a recently conducted inventory, our hydraulic resources are estimated at 60 million kilowatts, of which only 5 percent is being exploited. This leaves a wide margin that is to be used in the future for the generation of electricity.

Now we have begun using coal. We will soon begin constructing the first thermoelectric plant driven by coal, with a generating capacity of 2 million kilowatts. The possession of these resources ascribes to our country a position which, without boasting, can be described as exceptional.

Growing importance of the energy issue as a result of OPEC's actions has determined a new system of relations between the industrialized world and the developing countries. Industries with a heavy emphasis on energy will tend to move toward the developing countries which, aside from their mineral resources, have an abundance of energy resources. Thus we see the changes that are being wrought in the relations between the two worlds and in the so-called international division of labor--which in the future will be even more marked. This is what is at stake in the great north-south controversy among the industrialized and the developing countries. The industrialized countries will have to import less raw materials and increase their imports of manufactured products. [Words indistinct] manufactured in our countries. Furthermore, because of its mineral resources, Venezuela must specialize in electrometallurgy, electrochemistry and electromechanics. Despite the existence of an integral [word indistinct], the potential of mineral resources indicates to us areas which will surely guarantee supplies for more than a century.

ENERGY MINISTER DENIES WORLD ENERGY CRISIS

PA101659Y Paris AFP in Spanish 1443 GMT 9 Nov 78 PA

[Text] Caracas, 9 Nov (AFP)--Venezuelan Energy and Mines Minister Valentin Hernandez denied here today that there is currently a worldwide energy crisis due to political events in Iran which have affected that country's petroleum production. He said that the industrialized consumer countries have sufficient crude reserves to withstand the current decrease in supplies because of the Iranian situation.

He indicated that Venezuela is not planning an increase in production--which would modify its conservationist policy. Venezuela's policy, which is also in defense of crude prices, sets a maximum production ceiling of 2.2 million barrels a day. He added that if there were a worldwide critical situation regarding the supply of hydrocarbons, it would be discussed by OPEC to find a solution to it. "We hope that the Iranian problem will be solved soon," the minister said. Venezuela and Iran are cofounders of OPEC.

KUWAITI OIL MINISTER TO DISCUSS PRICE RISE

PA150432Y Paris AFP in Spanish 0124 GMT 15 Nov 78 PA

[Text] Caracas, 14 Nov (AFP)--'Ali al-Khalifah as-Sabah, Kuwait's oil minister and president of OPEC, arrived here today to discuss with the Venezuelan Government a probable increase in crude oil prices for 1979. This increase would be made official at the OPEC ministerial meeting scheduled to take place in Abu Dhabi on 1 December.

During his 4-day stay in Venezuela, Shaykh As-Sabah will meet with President Carlos Andres Perez, with Energy and Mines Minister Valentin Hernandez and with the directors of the state-owned Venezuelan Petroleum Company. He will also visit hydroelectric and metal plants located in Guayana.

On arriving in this capital, the Kuwaiti minister refused to comment on his country's position regarding OPEC's probable price increase (over the current reference price of $12.70 per barrel), indicating that this is precisely what he has come to discuss with the Venezuelan Government.

Last month, the influential Saudi Petroleum and Mineral Affairs Minister Shaykh Ahmad Zaki Yamani visited Venezuela for similar reasons.

PINERUA DEFINES STAND ON INCREASED OIL PRICE

PA092348Y Caracas EL NACIONAL in Spanish 1 Nov 78 p D-1 PA

[Article by Leopoldo Linares]

[Excerpts] Luis Pinerua gave his usual weekly news conference yesterday. The following is the initial statement which candidate Luis Pinerua made to newsmen:

"My dear friends, as is well known, the OPEC conference will be held on 16 December in Abu Dhabi, capital of the United Arab Emirates. Since by that time I will be president-elect of the republic, I consider it timely to discuss my firm determination--which I maintain now and to which I will be even more firmly committed as president-elect--to have the OPEC conference agree on a reasonable increase in the price of oil. I repeat the word reasonable, because I share the opinion expressed by President Perez yesterday to the effect that one cannot indulge in excesses that might upset the world economy. However, I consider it prudent to note that to me a reasonable increase in the price of oil would be no less than 10 percent, a target which in my opinion is perfectly feasible. The international oil market could bear it, and as it has been possible to determine, the members of the organization would also allow it. Of course, this 10 percent increase would have to include provisions for progressive annual increments which take into account the various factors involved.

"An increase of a minimum of 10 percent in the price of oil would bring Venezuela over 3 billion bolivares in increased revenue in 1979. What should be done with this increased revenue? That is a natural question. Usually that additional revenue would go to Petroleos de Venezuela. That is, it would be capitalized by Petroleos de Venezuela as additional profit. The other option would be to channel part of this revenue to the Treasury, which could occur if the value of exported petroleum, as determined by the reference prices, is changed. But a measure of this kind cannot be taken without considering the repercussions on Petroleos de Venezuela's investment program.

"Consequently, the sensible and reasonable course would be to act conservatively by supporting the opinion that this price increase and the increase of revenue it entails for the country should be capitalized by Petroleos de Venezuela. Why? Simply because Petroleos de Venezuela has ambitious investment plans for the next period in exploration, production, refining, exploration of the Orinoco oil strip, transportation and other sectors. Petroleos de Venezuela has an investment plan of about 48 billion bolivares between 1979 and 1983. In one single year, 1979, that investment will be of about 6.89 billion bolivares. It is true, and we are aware of this, that Petroleos de Venezuela has accumulated savings of about 10 billion bolivares, which will be more than enough to finance the first stage of the investment plan. But we have to guarantee a continuity of resources and continuous increase in its capital so we can make sure that our country's petroleum business will not suffer in any way."

POTENTIAL OF NEW OIL DEPOSIT ANALYZED

PA162148Y Paris AFP in Spanish 1153 GMT 16 Nov 78 PA

[By Michel Iriart]

[Excerpts] Mexico City, 16 Nov (AFP)--The discovery of an enormous petroleum deposit of 100 billion barrels in eastern Mexico this week brings Mexico's potential petroleum reserves to more than 200 billion barrels and places it among the world's largest producers. This was stated here today by Mexico City petroleum officials who added that "our reserves are more important than those of Saudi Arabia." They said that petroleum in the future will continue to be the pillar on which the government will base the prosperity of the country and its 64 million people.

The new deposit at Chicontepec extends along 120 km of the Gulf of Mexico coast, north of the "gold strip" where the country's first oil wells were found. This immense petroleum deposit, added to the southern deposits (which produce 1.4 million barrels a day), will probably encourage the government to review its plans which call for a "limited" production of 2.2 million barrels a day in 1982. According to the authorities, the Chicontepec deposit also contains 40 billion cubic feet of gas. Its exploitation will demand an investment of $4 billion during the next 7 years.

The PEMEX (Mexican Petroleum) national enterprise has announced the drilling of 16,000 wells in this area which is currently used for grazing land and the cultivation of lemons.

From its current production of 1.4 million barrels a day, Mexico exports 400,000 barrels, including 320,000 barrels to the United States and the rest to Israel, Spain, Canada and, recently to Japan.

The list of foreign clients will probably grow in view of the negotiations with France and Cuba (the latter through the USSR) for the purchase of unspecified amounts of crude.

If the discovery of the new deposit in Veracruz State makes the government decide to increase its production beyond the limits foreseen for 1982, the main beneficiary will be the United States, which is located less than 1,000 km from the Chicontepec oil fields.

Nevertheless, the Mexicans will not abandon their plans to diversify crude exports, petroleum experts said. They added that agreements for the construction of a deep-water port for Mexican tankers with a displacement of 250,000 tons began to be studied in Tokyo during Mexican President Lopez-Portillo's recent visit to Japan.

LEADER OF FAL GUERRILLA GROUP CAPTURED

PA161641Y Paris AFP in Spanish 2117 GMT 15 Nov 78 PA

[Text] Mexico City, 15 Nov (AFP)--Dionisio Santiago, one of the main leaders of the Armed Forces of Liberation (FAL), a guerrilla group which operated in Guerrero State in Western Mexico, was captured today. Accused of having participated in the "execution" of a former member of the group, he admitted his guilt to the press.

The FAL, which was initially led by Lucio Cabanas, who was killed in 1974, operated in the mountains of Guerrero State. According to a Guerrero State military commander, the group has been practically disbanded.

COSTA RICA

TROUBLEMAKING FOREIGNERS WARNED OF EXPULSION

PA162157Y San Jose LA NACION in Spanish 10 Nov 78 p 10A PA

[Excerpt] Interior Minister Juan Jose Echeverria warned yesterday that any foreigner--regardless of what his condition may be--who creates problems or gets involved in domestic affairs will be expelled immediately from the country. He was referring to a demonstration conducted yesterday in front of the Labor Ministry by Nicaraguans and Costa Ricans.

According to him, the demonstration was promoted by the Socialist Workers Organization (OST). There were disorders and the police were forced to intervene. Echeverria said that two patrolmen were attacked.

The minister noted that two Costa Ricans and two Nicaraguans were arrested in connection with this incident. Concerning the Costa Ricans, the minister said that they would be placed at the disposal of the public authorities. He said that the status of the foreigners in the country will be investigated and that they probably will be expelled.

Echeverria was categoric in stating that no foreigner who has been offered protection or asylum will be allowed to cause problems here. "If they do, we will expell them at any time," he said.

Echeverria added: "Our country has characterized itself for the help it gives to those who flee from their nations and seek asylum in Costa Rican territory, but we will not let our peace be disturbed and we will be very strict in this regard."

PAPER SEEKS END OF ISRAELI ARMS SALES TO NICARAGUA

PA170020Y Panama City ACAN in Spanish 2047 GMT 16 Nov 78 PA

[Text] San Jose, 16 Nov (ACAN-EFE)--The Costa Rican newspaper LA REPUBLICA today, Thursday, urgently appealed to the Israeli Government to stop selling weapons to the Nicaraguan Government.

In an editorial entitled "Israel's Responsibility," the morning paper called for an end to such sales, alleging that Costa Rica has the moral authority to make this request since its vote at the United Nations in 1948 permitted the birth of the Israeli State. The paper commented on the recent announcement made in this capital that Costa Rica will have to purchase antiaircraft weapons in view of the constant violations of its territory by Nicaraguan military airplanes and helicopters. The paper stated that Israel is to blame for this purchase because it has been providing military support to the Nicaraguan Government.

Urging Israel, "the cradle of the Nobel Peace Prize," to stop selling weapons to the Managua government, the editorial stated that the Nicaraguan regime is using those weapons "to savagely murder oppressed Nicaraguans and to violate the rights of a neighbor which desires to live in peace and harmony with other states."

The editorial states that the Nicaraguan Government does not desire Israeli weapons to defend its liberty, but "rather to preserve its political and economic dynasty, to deprive the people of peace and liberty, to violate human rights in the dungeons, to machinegun the civilian population and to harass Costa Ricans." Finally, the paper called on the world to unite in asking Israel to "end the shipment of instruments of aggression, oppression and death to the Somozist regime."

PLANNING MINISTER LEAVES FOR QUITO 15 NOVEMBER

PA161503Y San Jose Radio Reloj in Spanish 1200 GMT 16 Nov 78 PA

[Text] Costa Rican Planning Minister Wilburg Jimenez Castro left for Quito, Ecuador, yesterday. He will return next Sunday. No details were given regarding the reasons for Jimenez' trip. It was simply said that he will take part in an international conference. He returned from Mexico 2 weeks ago where he participated in another international meeting on public administration.

EL SALVADOR

THREE KILLED AS GUERRILLAS CLASH WITH NATIONAL GUARD

PA161723Y Panama City ACAN in Spanish 2223 GMT 15 Nov 78 PA

[Text] San Salvador, 15 Nov (ACAN-EFE)--At least three men were killed today in an armed clash between National Guardsmen and civilians in the Salvadoran city of San Miguel, 138 km from San Salvador.

The clash occurred when three National Guardsmen tried to enter a house where suspected terrorists lived. An exchange of fire began with men who apparently made up part of the leftist Farabundo Marti Popular Liberation Forces (FPL). After the clash, three dead civilians were found in the house. There have been no reports of possible military casualties. Various security bodies surrounded the area of the confrontation. Shooting could be heard for several hours.

GUATEMALA

MINISTER SAYS COUNTRY IS TARGET OF COMMUNIST ONSLAUGHT

PA162214Y Panama City ACAN in Spanish 1934 GMT 16 Nov 78 PA

[Text] Guatemala City, 16 Nov (ACAN-EFE)--Guatemalan Government Minister Donaldo Alvarez Ruiz today charged that "Guatemala is currently one of the main targets of the communist conspiracy in America."

"Guatemala is the object of the Red onslaught," the government minister said, reiterating the comments of the Institute of Modern International Studies in Washington this week. Alvarez Ruiz added that the revelations of the U.S. institute confirm Guatemalan Government statements that extremist groups are planning to seize power. The Institute of Modern International Studies said in Washington on Monday that Guatemala is the new objective of the guerrilla insurgency in Central America.

The government minister said that the communists believe that they could rapidly take over the Guatemalan Government following the fall of Nicaraguan President Anastasio Somoza as a result of the "domino theory" effect in Central America--such as that which occurred in Southeast Asia. Alvarez Ruiz said that parts of the communist plot in Guatemala are terrorist action, agitation, labor strikes and street marches that have occurred during the past few weeks in this country.

(Smose) Harvey, director of the Institute of Modern International Studies, indicated that, according to Sergio Mikoyan, chief editor of the 13 October issue of the Soviet magazine AMERICA LATINA, "the broad scope of the struggle against Somoza in Nicaragua has evidently promoted the increasing strike movement in Guatemala."

The Guatemalan minister also cited the October issue of the Soviet magazine NOVOYE VREMYA which said that in Guatemala "the recent antigovernment actions forecast new struggles for freedom and democracy." Alvarez Ruiz said that the Guatemalan Government does not dismiss these plans of international subversion and is alert to guarantee the security of the state.

ORGANIZATIONS EXPRESS SUPPORT FOR SALVADORANS

PA162026Y Panama City ACAN in Spanish 1520 GMT 16 Nov 78 PA

[Text] Guatemala City, 16 Nov (ACAN-EFE)--In a communique issued today, six of the strongest labor, student and popular organizations expressed the solidarity of Guatemala's popular sectors with their counterparts in El Salvador which "are struggling against the tyranny of their regime."

The organizations which issued the communique are the National Committee of Labor Unity, the National Movement of Settlers [Movimiento Nacional de Pobladores], the National Coordinator of Settlers [Coordinadora Nacional de Pobladores], the Revolutionary Student Front [Frente Estudiantil Revolucionario], the Coordinator of Secondary Students [Coordinadora de Estudiantes de Educacion Media] and the University Students Association.

The communique "energetically condemns the military dictatorship headed by Gen Carlos Humberto Romero for massacring the Salvadoran people." It also demands "the abrogation of the criminal public order law". It states that it joins in the "demand of the committee in support of the release of political prisoners that the 110 unjustly imprisoned persons be released." It also "calls on all popular sectors to express their condemnation of the dictatorial government of El Salvador and to demand the release of all political prisoners."

The document states that "in Central America there is a firm struggle against the puppet governments which oppress and repress the people." It adds that "imposed military governments, loyal servants of the local bourgeoisie and imperialism, deny their peoples the most essential rights--persecuting, imprisoning, torturing and killing the leaders of organizations that dare to raise their voice in protest." It points out that "the rare exception to repressive government is Costa Rica, but it definitely cannot be excluded as far as corruption and exploitation of man by man is concerned."

HONDURAS

MILITARY CAPTURES 90 SANDINIST GUERRILLAS

PA161544Y Panama City ACAN in Spanish 1453 GMT 16 Nov 78 PA

[Text] Choluteca, Honduras, 16 Nov (ACAN-EFE)--Ninety Nicaraguan Sandinist Front guerrillas were captured yesterday, Wednesday, by members of the 11th Honduran Infantry Battalion, it was learned here today. The guerrillas had entered Honduran territory with the intention of serving as reserves during "a large-scale offensive" which their front is preparing for the near future in Nicaragua. The capture operation was carried out without violence since the guerrillas did not resist the Honduran soldiers who caught them by surprise in a speedy and well-directed operation. Lt Col Hubert Boden Caceres, commander of the 11th Battalion headquartered in Choluteca, 150 km south of Tegucigalpa, personally directed the operation.

It was reported that the guerrillas were taken to Tegucigalpa where another 93 are waiting to be deported to an as yet unspecified country which agreed to grant them political asylum. The 93 who will be deported soon were captured or surrendered themselves to the Honduran Army following harsh clashes with the Nicaraguan National Guard last September.

CHRISTIAN DEMOCRATIC PARTY IS GIVEN LEGAL STANDING

PA162130Y Panama City ACAN in Spanish 1819 GMT 16 Nov 78 PA

[Text] Tegucigalpa, 16 Nov (ACAN-EFE)--The Honduran Christian Democratic Movement was legally recognized last night as a political party and needs only the issuance of a decree to legalize it totally. The recognition was given by the Supreme National Electoral Tribunal, which was established earlier this year to regulate the process that will return Honduras to constitutional status in April 1980.

The Christian Democrats had to present a series of documents, including a list of 10,000 signatures authenticated by a notary public, to be registered in the electoral tribunal. Several signatures were challenged and other legal requirements were met.

The recognition of the new political party is a landmark in Honduran history which has been dominated for decades by two traditional political parties, the Liberal and National parties.

The National Innovation and Unity Party is also requesting registration and legal standing. This party has already presented documents and signatures and is undergoing another process to obtain the electoral tribunal's approval.

The new Honduran electoral law, which was implemented in January of this year, recognizes the concept of ideological pluralism and even accepts independent candidacies. So far, however, nobody has shown an interest in this possibility. The electoral law also contains provisions for democratizing the internal politics of existing parties.

NICARAGUA

COSTA RICAN CIVIL GUARD INCURSION REPORTED

PA170127Y Paris AFP in Spanish 0054 GMT 17 Nov 78 PA

[Text] Managua, 16 Nov (AFP)--Thirty Costa Rican Civil Guardsmen penetrated yesterday, Wednesday, into Nicaraguan territory, a high-ranking military officer reported today.

Gen Gonzalo Evertsz, the military commander of Rivas Department in southern Nicaragua, said that [word indistinct] the invasion of Nicaraguan territory by Costa Ricans and ordered a civilian judge to initiate an official investigation that could be later utilized by the Somoza government to protest before the San Jose authorities. The military chief added that Nicaraguan civilians had been captured and taken to Costa Rica where they were falsely identified as members of the Nicaraguan National Guard.

In the meantime, National Guard troops were deployed today in various parts of Nicaragua, carrying out tactical maneuvers with a variety of weapons in obvious preparation in case the Sandinist Front unleashes a general offensive similar to the one in September. However, only minor incidents have occurred over the past 24 hours.

Managua police headquarters has ordered the arrest of all persons with [word indistinct] records in an attempt to stem the wave of over 80 attacks that have occurred across the nation in the past few weeks.

According to the police, most of the attacks against persons, vehicles and small businesses is the work of common criminals who [word indistinct] to commit their (?crimes).

GUERRILLAS ROB BANK IN MANAGUA, ELUDE CAPTURE

PA161551Y Managua Radio Corporacion in Spanish 0400 GMT 16 Nov 78 PA

[Text] At noon an armed group, presumably of the Sandinist National Liberation Front [FSLN], attacked the Portezuelo branch of the Banco de America located on kilometer 5 of the northern highway in Managua. Reports indicate that the group stole an as yet undetermined amount of money.

The reports add that the guerrillas were intercepted by a police patrol near the Morazan neighborhood. The policemen opened fire, trying to capture the robbers. During the incident, a police car crashed into an electric power pole, making it impossible to continue the pursuit.

An unidentified person called Radio Corporacion this afternoon to announce that the operation at the Banco de America's Portezuelo branch was carried out by the People's Revolutionary Commandos. This guerrilla division belongs to the FSLN Proletarian faction. The caller also said that all of today's guerrilla operations were carried out by the clandestine political-military group.

Further Robberies

PA162011Y San Jose Radio Reloj in Spanish 1730 GMT 16 Nov 78 PA

[Text] Managua--The Sandinist Front has announced the intensification of monetary recoveries [recuperaciones monetarias] prior to an alleged big offensive proclaimed imminent for several weeks. Attacks on the rural credit branches of the National Bank of Nicaragua were reported this week in (Tiguantequepe), in the southern part of the capital, where the assailants fled with 15,000 cordobas, $2,142, and in Rancho Grande, Matagalpa Department, to the north, where they stole 80,000 cordobas, $11,428.

According to some of the latest reports from Nicaragua, continuous shooting was heard in western Managua last night. It was feared there would be another clash between the National Guard and the Sandinists. No official explanation of the incident has been given.

PRISONERS OF GUERRILLAS REPORTEDLY NOT NATIONAL GUARDSMEN

PA161540Y Panama City ACAN in Spanish 1509 GMT 16 Nov 78 PA

[Text] Managua, 16 Nov (ACAN-EFE)--Nicaraguan National Guard sources have denied that the alleged Nicaraguan militarymen captured by a Sandinist National Liberation Front [FSLN] guerrilla cell and taken to San Jose are members of the National Guard. The army personnel office said yesterday, Wednesday, that the peasants, Diego Velasquez, Odilon Romero and Maximo and Justo Velasquez, were kidnaped in the area of "Los Chiles," on Nicaraguan territory, and taken by force to San Jose. The sources added that the invading terrorists continue operating with impunity from Costa Rica, committing punishable offenses such as kidnaping.

On the other hand, the Nicaraguan high commands have tightened up vigilance along the Costa Rican border. Rifles, submachineguns, fragmentation grenades, canteens, walkie talkies and scopes for rifles have been found by Nicaraguan National Guard patrols in that area, products of the incursions of the rebels opposing the government of Gen Anastasio Somoza, a military source revealed.

10 MEMBERS OF MILITARY FORMALLY ACCUSED OF COUP PLOT

PA161502Y San Jose Radio Reloj in Spanish 1200 GMT 16 Nov 78 PA

[Text] Ten militarymen, including three officers and seven enlisted men, were formally accused in Managua yesterday before a military investigations court of having participated in an alleged plot to overthrow the government of Gen Anastasio Somoza. Last August, the government discovered an alleged plot to overthrow Somoza directed by 18 officers and 82 enlisted men. They were discovered and subsequently arrested.

BUSINESSMEN SET UP NEW ANTI-SOMOZA GROUP, CONSIDER STRIKE

PA161850Y San Jose Radio Reloj in Spanish 1200 GMT 16 Nov 78 PA

[Text] In Managua the idea of a new nationwide strike to force President Somoza's resignation seems to prevail among businessmen who revealed the creation of the Superior Council of Private Enterprise [Consejo Superior de la Empresa Privada--COSEP] to strengthen their sector in view of the political crisis.

Businessman Alfonso Robelo Callejas, one of the three negotiators of the Broad Opposition Front [FAO], said the strike is still not confirmed, but that if it is carried out it would start between Thursday and Friday of next week.

The private sector and workers have already staged two strikes this year, one in January and another in August, to demand Somoza's resignation. Somoza did stay in power, but the nation's economy experienced a great dislocation and is on the brink of chaos.

COSEP President Leonel Arguello said yesterday that the new group is much more powerful than its predecessor because it is composed of cotton growers, owners of coffee farms and cattlemen, who represent Nicaragua's most important economic sectors.

TUNNERMANN SAYS SOMOZA RECEIVED ISRAELI WARPLANES

PA162014Y San Jose Radio Reloj in Spanish 1730 GMT 16 Nov 78 PA

[Text] Somoza has obtained five warplanes. Reports supplied by Dr Carlos Tunnermann, of the so-called Group of 12, indicate that since yesterday afternoon Somoza has been in possession of five warplanes which were purchased from Israel. They are five Phantom planes of war fame.

These five planes, whose identification is being (?changed), are located at the Montelimar airport, according to Tunnermann's accusation made here in San Jose, Costa Rica.

The report adds that two of the pilots are (Hefez Barth) and (Hoachim Hering), two Israelis who arrived with two of the five warplanes which Israel has supplied to Somoza.

FOREIGN MINISTRY DENIES PRESENCE OF TROOPS IN TANZANIA

FL171213Y Havana Domestic Service in Spanish 1145 GMT 17 Nov 78 FL

[Text] The Foreign Relations Ministry (MINREX) has issued a statement as a result of the situation created by the penetration of Ugandan forces into Tanzanian territory and occupation of more than 1,000 [sq] km of that country.

The statement says that Ugandan President Idi Amin Dada announced one morning that Tanzania had initiated military operations against his country. At the same time, top officials of the Kampala regime indicated that Cuban troops were accompanying the Tanzanian troops and that the Cuban military men were doing it under threat from Tanzanian leaders.

The MINREX statement emphasizes that once more the forces of imperialism are trying to weaken the peoples of Africa through disunity and conflict. It adds that these forces are trying to present situations which could lead to a mistaken interpretation of the reason for the presence of Cuban troops in other parts of Africa, a presence officially accepted and welcomed by the progressive and anti-imperialist forces of the continent.

Further on the statement emphasizes that it is known that there are no Cuban troops or specialists in Tanzania and, moreover, the Government of Cuba has reiterated its decision that no Cuban combatant participate or collaborate in the transgression by one African country of the border of another.

The Foreign Relations Ministry once again reiterates our repudiation of any action which leads to breaking the necessary unity of all African countries, violates agreements of the Organization of African Unity and implies a violation of established and accepted borders. It points out that with these events there has been an attempt to weaken and punish Tanzania for its firm position in defense of the rights of the people of Zimbabwe, in support of the cause of Namibia and in repudiation of the attempts to make the African countries return to the conditions of neocolonialism. Cuba, the statement says, greets the efforts made by various African governments to achieve reestablishment of peace and to see that existing problems are negotiated between fraternal countries in a peaceful and friendly manner.

Lastly, the MINREX expresses the wish of our country that coexistence between Tanzania and Uganda not be endangered by the imperialist maneuvers designed to try to recover the domination they have lost on the African continent.

JOSHUA NKOMO HEADS DELEGATION TO HAVANA

FL161207Y Havana Domestic Service in Spanish 1145 GMT 16 Nov 78 FL

[Text] Joshua Nkomo, president of the Zimbabwe African People's Union (ZAPU), has arrived in our country heading a delegation of that organization. PCC Politburo member Carlos Rafael Rodriguez and Secretariat member Raul Valdes Vivo welcomed the African leader at Jose Marti International Airport. (Joseph Lube), ZAPU representative in our country, also was present at the welcome.

JAMAICAN RULING PARTY OFFICIAL ARRIVES IN CAPITAL

FL161354Y Havana Domestic Service in Spanish 1342 GMT 16 Nov 78 FL

[Text] (Saul Robinson), deputy secretary general of the Jamaican People's National Party, has arrived in our country at the invitation of the PCC Central Committee. During his stay in Cuba the visitor will meet with leaders of our party and will tour various places of interest.

JOINT COMMUNIQUE ISSUED WITH SAO TOME AND PRINCIPE

FL171241Y Havana Domestic Service in Spanish 1145 GMT 17 Nov 78 FL

[Text] The newspaper GRANMA, official organ of the PCC Central Committee, today publishes the text of a Cuba-Sao Tome joint communique.

The communique points out that the Sao Tome delegation expressed satisfaction with the gains achieved by the Cuban revolution in the political, economic and social fields as well as in building a socialist society. It also expressed its strongest condemnation of the criminal economic blockade imposed and maintained against Cuba by the United States.

The delegation of the Movement for the Liberation of Sao Tome and Principe [MLSTP] and Government of the Democratic Republic of Sao Tome and Principe rejected the slander campaigns of imperialist and reactionary forces as well as the threats against Cuba. In the same manner, it reaffirmed its recognition of and high regard for the internationalist position of Cuba and its support offered to the Republic of Sao Tome and Principe in national reconstruction tasks.

The Cuban side expressed satisfaction with the successes attained by the people of Sao Tome and Principe to strengthen the revolutionary government.

The two sides expressed their willingness to expand and strengthen the friendship that unites the peoples of Cuba and Sao Tome and Principe as well as to increasingly expand relations between the MLSTP and the Communist Party of Cuba by expanding such fraternal ties according to the principles of internalism and ideals of peace and social progress.

HAVANA LIVING, TRANSPORTATION CONDITIONS DISCUSSED

FL161516Y Havana Domestic Service in Spanish 1425 GMT 16 Nov 78 FL

[Text] Oscar Fernandez Mell, president of the executive committee of the people's government provincial assembly in Havana City, has declared that half of the housing units in our capital require big repairs. In a report published by the newspaper GRANMA, Fernandez Mell, who also is a member of the PCC Central Committee, added that of the 250,000 housing units in this state [of disrepair], 30,000 have been repaired and 40,000 declared uninhabitable.

Fernandez Mell discussed Havana and its problems during his meeting with Moscow Mayor Vladimir F. Promyslov, when the latter was visiting our capital. He asserted that more than 32,000 housing units have been built. However, some areas where the units were built without the concept of a district are having technical problems.

Oscar Fernandez Mell, president of the executive committee of the people's government provincial assembly in Havana City, said there are encouraging public health indicators in our capital with almost 2 beds and 1 doctor per 1,000 inhabitants. He emphasized that the province has 44 hospitals of high construction and scientific quality and more than 60 polyclinics, almost all of them new.

He went on to say that out of the almost 2 million inhabitants in Havana City, 640,000 students are attending classes up to the middle level. This year, he said, it was necessary to make a big effort to furnish classrooms with 30,000 new desks as a result of the population explosion in the 1960's when population growth reached 3.7 percent. The current growth shows more reasonable rates, between 1.4 and 1.6 percent.

Referring to transportation problems in Havana City, Oscar Fernandez Mell emphasized that it is necessary to provide daily services to 3.5 million passengers and the buses are insufficient. He added that there are no appropriate mechanical shops to repair the buses and, as a result, the people of Havana spend 4 to 5 hours going to and from work daily. All these problems, he said, require intensification of studies now being made.

Regarding problems with garbage collection, Fernandez Mell explained that the problem lies in the lack of spare parts for the trucks. He said efforts are being made to import the parts but with difficulty because they are discontinued lines. He announced that next year there will be 30 more dump bodies to mount on the trucks and this will alleviate the current crisis we are facing.

ROBERTO VEIGA REPORTS ON PRODUCTIVITY, WAGES

FL160021Y Havana Domestic Service in Spanish 0000 GMT 16 Nov 78 FL

[Text] Some 700,000 workers throughout the country receive their wages through different systems of payment for services with satisfactory economic results, Roberto Veiga, member of the PCC Central Committee and secretary general of the Central Organization of Cuban Workers, has reported. Veiga spoke at the opening session of the meeting on work organization, which was chaired by Flavio Bravo, member of the PCC Central Committee and vice president of the Council of Ministers, and Oscar Fernandez Padilla, president of the State Committee for Labor and Social Security.

Elsewhere in his speech, Veiga said that during the current 5-year period gains have been made in that field, as can be seen in the growth of production and productivity, decrease of wage against produced peso and savings of material and manpower resources. The meeting on work organization, which is being held in Havana, will end tomorrow following the discussion of reports submitted by agencies of the state central administration and the people's government's executive committees of the different provinces.

14 POLITICAL PRISONERS PARDONED BY GOVERNMENT

PA161833Y Paris AFP in Spanish 1819 GMT 16 Nov 78 PA

[Text] Havana, 16 Nov (AFP)--Private sources informed AFP today that an additional 14 political prisoners were pardoned by the Cuban Government.

The greater part of those released still had long sentences to serve, they said.

The former prisoners who are living in Havana awaiting a U.S. entrance visa pointed out that the present group is larger than those pardoned recently.

Among those released now were mentioned Manuel Chichi del Valle, Helio and Racardo Leal, psychiatrist Marcelino Feal and newsman Gabriel Orozoco Aggero.

Also released were Felipe Sanchez, Aroldo Hernandez, Augusto Jose Andion, Emilio Boffill and Jose Dominguez. The sources were not able to identify the other four at present.

Their release has come about at a time when various "Cuban personalities abroad" are arriving in Havana to talk with the government. These are figures of the exiled anti-Castroite opposition, who will share the discussion table next week with President Fidel Castro and a government team.

According to the sources the objective is to reach an understanding to obtain as complete a liberation of the political prisoners in Cuba as possible.

HAVANA CITES REPORTS OF PLANS TO DEPOSE SOMOZA

FL151137Y Havana Domestic Service in Spanish 1100 GMT 15 Nov 78 FL

[Text] In recent days several news agencies have reported that a coup d'etat is being planned against Anastasio Somoza within the ranks of the Nicaraguan National Guard and elements of high finance in that country. The rumors appeared to be very possible when the news agencies reported a communique of the Sandinist National Liberation Front released in Managua mentioning 21 and 22 November as the possible dates for the reported overthrow of the dictator. The Sandinists assert that the planned coup is aimed at reinforcing Somozaism without Somoza.

In the meantime the Nicaraguan National Guard has reported more persons killed in two armed clashes with revolutionary elements. Seven dead were reported, including a soldier. The shootouts took place in districts of the city of Leon, located 90 km west of Managua, and in the capital itself.

For its part, the regime has decided to suspend the issue of exit visas to leave the country in the wake of the spectacle of thousands of citizens who have invaded immigration offices to request visas to travel abroad. The requests increased following the failure of the so-called mediation and Somoza's statement that he will continue in power. The Sandinist Front responded by announcing that it will continue the struggle until the regime is deposed.

UNESCO DELEGATE CONDEMNS NEWS MONOPOLIES

FL151850Y Havana Domestic Television Service in Spanish 1800 GMT 15 Nov 78 FL

[Text] Cuban representative to UNESCO (Enrique Gonzalez Manet) today condemned the trans-national news monopolies and asserted that hundreds of millions of persons in the world are subjected to a unidirectional and distorted flow of news. The Cuban representative referred to a report drafted by an international commission under UNESCO sponsorship which tried to analyze the problem of news imbalance in the world and propose solutions. (Gonzalez Manet) said that the report omits the question of internal control exercised by small national elite groups over a number of inter-related communications media. He cited the case of Latin America. He also pointed out that the report omits the role played by gigantic advertising consortiums whose total sale figures exceed $55 billion annually.

The Cuban representative stated that these are decisive questions and their omission or insufficient treatment can contribute to distorting the real image of a sector which, he said, already covers all activities of man, including his life and thinking.

DOCTOR DISCUSSES MEDICAL TEAMS IN ANGOLA

FL162116Y Havana Domestic Service in Spanish 2033 GMT 16 Nov 78 FL

[Text] In Luanda Dr (Narey Ramos) has reported that more than 800 [as heard] Cubans working in health are presently working in Angola, double the number there last year. The chief of the Cuban detachment added that at present there are 323 doctors, 208 nurses and 217 technicians spread throughout the 17 Angolan provinces. He referred to the dedication and desire shown by the doctors, nurses and other technicians in their support of the Angolan Government effort to eradicate endemic diseases which are the result of centuries of colonial domination. The head of the Cuban health detachment in Angola stated that beginning now their participation in the plans to train medical health technicians will intensify and that the previous course graduated 3,200 students.

POPULATION CENSUS COMMITTEE ESTABLISHED

FL170036Y Havana Domestic Service in Spanish 0000 GMT 17 Nov 78 FL

[Text] In accordance with Decree No 30 of the Council of Ministers executive committee, the 1980 population and dwelling census national coordinating committee was established in a ceremony chaired by Fidel Vascos, minister president of the State Committee for Statistics. The committee is composed of one representative each from the office for affairs of people's government local organs, the Central Planning Board, Interior Ministry, Revolutionary Armed Forces Ministry, Education Ministry, Construction Ministry, Central Organization of Cuban Workers, Committees for the Defense of the Revolution, Federation of Cuban Women, National Association of Small Farmers and other organizations. At the same time, similar committees will be established at the provincial and municipal levels. They will be headed by one member of the people's government assemblies' executive committees.

COOPERATION AGREEMENT SIGNED WITH AUSTRIA

FL160046Y Havana Domestic Service in Spanish 0000 GMT 16 Nov 78 FL

[Text] In Vienna, Austria and Cuba have signed an economic, industrial, scientific and technical cooperation agreement. The document was signed by Austrian Commerce, Trade and Industry Minister Josef Staribacher and Angel Gomez Trueba, first vice president of the Cuban State Committee for Economic Cooperation. The Cuban delegation also held meetings with Austrian Foreign Minister Willibald Pahr and other personalities.

HART DAVALOS MEETS WITH USSR DELEGATION

FL152156Y Havana Domestic Service in Spanish 2154 GMT 15 Nov 78 FL

[Text] Armando Hart Davalos, member of the PCC Politburo and minister of culture, has met with the Cuban-Soviet working group in the field of books, which has been meeting in this capital since Monday. At the meeting was Vasiliy Yezhkov, chief editor for scientific and technical literature of the USSR State Committee for Publishing Houses, Printing Plants and the Book Trade, who heads the Soviet delegation. At the event Hart received three volumes from the Literatura Cuba publishing house which were printed in the USSR and an album on the National Museum, both of them written in Russian. The works presented to Armando Hart were published as part of the agreements signed by the Cuban-Soviet cooperation groups in the field of books.

MINISTER PLEASED WITH AGREEMENT SIGNED WITH GUYANA

FL170048Y Havana Domestic Service in Spanish 0000 GMT 17 Nov 78 FL

[Text] In Guyana, Sugar Industry Minister Marcos Lage has expressed satisfaction over the signing of a broad program of bilateral cooperation in various fields for 1979. The Cuban minister today returned to Havana after a week of official talks with a Guyanese governmental delegation headed by Economic Development Minister Hugh Desmond Hoyte. Lage noted that the fourth meeting of the Cuba-Guyana mixed commission reflects the continuity of previous cooperation agreements between the two countries and symbolizes the ties of bilateral friendship they maintain.

ANTIGUA

PRIME MINISTER COMMENTS ON ARMS ALLEGATION

LD162058Y Montreal International Service in English 2000 GMT 16 Nov 78 LD

[Text] The prime minister of Antigua has said that there appears to be definite evidence that a Canadian company which uses the Caribbean island as an artillery test site has been shipping arms illegally to South Africa. Prime Minister V. Bird said in a radio broadcast that the company, Space Research Corporation of Montreal, will be asked to close its sites and leave Antigua if the allegations prove correct.

A spokesman for the company has again denied the allegations and said that no definite evidence exists to prove that its special long-range artillery shells and other military equipment have been transshipped to South Africa from the Caribbean. Charges that Space Research Corporation has violated the UN arms embargo on South Africa were made recently in a Canadian TV program.

JAMAICA

SEAGA COMPLAINS OF LOSSES BY GOVERNMENT CORPORATIONS

FL152240Y Kingston SUNDAY GLEANER in English 12 Nov 78 pp 1, 22 FL

[Excerpts] Losses amounting to $101.45 million, mainly in 1977, have plagued some twelve government-run corporations, and more losses of near $43.5 million are expected to come from other government agencies, according to the leader of the opposition, Mr Edward Seaga.

Addressing members of the Jamaica Chamber of Commerce at their annual dinner on Friday night in the Terra Nova Hotel, in Kingston, Mr Seaga said that it was now time for the country to count up the losses resulting from the government's "glorious adventures into uncharted waters it cannot fathom."

Reviewing the progress being made by the country since the International Monetary Fund agreement, the opposition leader said that there was a lot of trumpet-blowing over the passing of the September I.M.F. test. But the government was failing the ultimate test--that of restoring economic growth. Jamaica was the only one of 150 countries that had experienced five years of negative growth, he declared.

Limit

Mr Seaga said that the government had set out to raise $180 million to finance the budget, despite opposition warnings that the country had already reached its tax limit. Months after the tax package was presented there were assurances that the tax revenue programme was on stream. But up to now tax revenue has only been estimated at between $45 million and $56 million. This, he said, explained the government's severe cutbacks in expenditure. Noting that the cost of living index up to September for the nine-month period had risen by about 45 percent and by year end could be expected to achieve a rise of 55 percent for the entire year, Mr Seaga sarcastically observed that a government spokesman said recently in England that "we are turning the corner and seeing light."

Mr Seaga scoffed at the government's handling of productive and semi-productive agencies which he said were behind the need for the $180-million tax target. He said that everyone knew about the government's inability to realize the maximum efficiency in these agencies and corporations. It was time for everyone to stop and count up the losses, he added.

Among official agencies which he named as losers were the Agricultural Marketing Corporation, the National Housing Corporation, the Urban Development Corporation, the Jamaica Bauxite Institute, the Sugar Industry Authority, the National Sugar Corporation (with losses of $15 million), the Jamaica Omnibus Services, the Jamaica Pegasus Hotel, the Jamaica Telephone Company (with losses of $22.2 million), the Jamaica Public Service Company (losses of $21.6 million), the Jamaica Railway Corporation, and Air Jamaica (losses of $16.3 million).

Mr Seaga said the opposition had warned the government, advised the government, made suggestions to the government. It now says: "Enough is enough, enough wasting has been done, enough corruption." But to say that to the government was a waste of words. It now proposed to mobilize the people to talk to the government in a way that it could not forget.

The Jamaica Labour Party was going to mobilize the people to say to the government that it had to look at the tax situation again and if this matter was not satisfactorily dealt with "then you are going to face a tax revolt." He said that the mood of the country was that the people were at their wits end. The people were saying that they wanted results and if the government could not provide the results, it should make way."

As member of Parliament, he was going to propose to Parliament that the foreign exchange budget be tabled in the House so that all could know how it was being allocated.

Mr Seaga also touched on the question of electoral reform. He said that the government had only two months in which to deal with the matter as the next revision of the voters list began in January next year.

If general elections came in 1981 with a list of the same dubious character as the present one then the country would face the first boycott of national elections.

If the electoral reform question was not effectively dealt with then the J.L.P. would resort to a campaign of civil disobedience, Mr Seaga said.

YOUTH STUDYING IN CUBA TO RETURN NEXT WEEK

FL091653Y Kingston Domestic Service in English 1530 GMT 9 Nov 78 FL

[Text] One hundred Jamaican young men who left for Cuba a year ago to acquire building construction skills are expected to return home next week, Friday afternoon, on a chartered Air Jamaica flight. The returning Brigadistas, as they are called, will bring [to] 554 the number of Jamaicans who have learned [words indistinct], masonry, plumbing, electrical wiring and carpentry in Cuba. Twenty-five Jamaicans [?who went] are also currently undergoing the same kind of training which was arranged under an existing technical exchange agreement between the Jamaican and Cuban governments.

In the meantime 300 [words indistinct] applicants who have already been oriented for the 1-year intensive training program are now awaiting their turn to travel to Cuba. These youths will be divided into three groups, the first of which leaves for Cuba next month, the other two going in March and April next year.

UNIONS SAID TO OPPOSE TUC STRIKE THREAT

FL151740Y Georgetown GUYANA CHRONICLE in English 9 Nov 78 pp 1, 2 FL

[Excerpts] Discussions between Prime Minister Forbes Burnham, a team of cabinet ministers and advisers and the Trades Union Congress [TUC] over recent increases in social security dues for government employees, are expected to resume today.

Meanwhile, another union has denounced the strike threat by the TUC, stating that "the economy of the country cannot afford a strike at this period." Members of the Printing Industry and Allied Workers Union [PIAWU], employed at Guyana National Lithographic Company Limited, further stated that they have taken a firm decision not to support any strike called by the TUC at this stage. Cde Edward Marcus, general secretary of the PIAWU, said that the union executive would be holding meetings with the other branches at Guyana Printers and Autoprint today, to hear their views on the matter.

The other unions which have so far come out against the TUC strike threat are the Guyana Labour Union and the Union of Agricultural and Allied Workers. They have also expressed the view that a general strike would worsen the economic situation of the country, resulting in greater damage to the economy and possibly leading to thousands of workers losing their jobs.

The TUC had instructed its affiliates to stand by for possible strike action as a means of forcing government to withdraw the increased contributions by public servants and teachers to the National Insurance Scheme and the Dependents' Pension Fund.

At a meeting on Monday the prime minister had suggested to the TUC team that while awaiting government's decision on the matter they should take the opportunity to meet officers from the Ministry of Finance, the Bank of Guyana, etc to examine closely the financial and economic situation of the country.

The offer by the prime minister was declined by the TUC delegation.

This followed an earlier disclosure move by the prime minister that the country was facing a current $180M deficit in revenue which had to be controlled.

The prime minister also stated that measures have to be taken to rectify the financial bind in which Guyana now finds itself.

FISHING RIGHTS WILL BE DISCUSSED WITH SURINAMERS

FL151735Y Georgetown GUYANA CHRONICLE in English 9 Nov 78 p 2 FL

[Text] A team of officials from the neighbouring Republic of Surinam will arrive in the country today for the first round of discussions with representatives of the Government of the Republic of Guyana concerning an agreement relating to the utilization of the marine resources by fishing vessels of each country's fishing zone.

A Foreign Affairs Ministry official announcing this last night said that the Surinam team is being led by Ambassador Henri Guda of the economic division of the Ministry of Foreign Affairs and former secretary-general of the International Bauxite Association.

The Guyana team, which will be led by Cde Dr Barton Scotland of the Ministry of Foreign Affairs, will include representatives of the ministries of economic development and co-operatives and agriculture and other government agencies. The Surinam team is expected to be in Guyana for about four days.